



CALIFORNIA
STATE BOARD
OF EQUALIZATION

BETTY T. YEE
Acting Member
First District
San Francisco

BILL LEONARD
Second District
Sacramento/Ontario

CLAUDE PARRISH
Third District
Long Beach

JOHN CHIANG
Fourth District
Los Angeles

STEVE WESTLY
State Controller
Sacramento

EXECUTIVE DIRECTOR
Ramon J. Hirsig
Sacramento

Tax Information for City and County Officials

*Local Sales and Use Tax
Transactions (Sales) and Use Tax*

Publication 28 • May 2006

Contents

<i>Title</i>	<i>Page</i>
Introduction	iii
State, Local, and District Taxes	1
Sales Tax Compared to Use Tax	3
Special Allocation Procedures.....	5
Schedules Used for Reporting the Combined 1 Percent State and Local Tax Allocation	9
Tax Agreements Among Local Jurisdictions	10
Administrative Charges and Costs.....	11
Using Tax Area Codes to Distribute Local Taxes	12
District Transactions (Sales) and Use Taxes	15
Method of Payment	18
Annual Allocation Calendar—Local and District Taxes	19
Using Registration Data to Ensure Correct Allocation	22
Temporary Sellers, Special Events, and Trade Shows.....	24
Access to Board Records.....	25
Sales and Use Tax Registration and Allocation Information.....	26
Board Offices Administering Local Taxes	28
Submitting Inquiries/Date of Knowledge	29
Appealing Proposed Reallocations	32
New Local Jurisdictions	32
Annexation Procedures	34
Exhibits.....	37
Glossary of Terms	62
Board Website Resources for Local Jurisdictions	65
For Further Assistance	66

Tables

<i>Number</i>	<i>Title</i>	<i>Page</i>
1	Components of the Statewide Sales and Use Tax Rate.....	2
2	Local Tax Allocation Guidelines for Leases.....	6
3	Local Tax Allocation for Motor Vehicle Leases, Effective January 1, 1999	7
4	Example of the Local and District Tax Allocation Calendar.....	19
5	Allocation and Registration Information	

Introduction

We have prepared this publication to explain how the Board of Equalization administers laws that govern locally imposed sales or transactions, and use taxes. The information is designed to help city and county officials understand tax programs and how they can use our services. We have also included information on annexation procedures as they relate to sales, transactions, and use tax programs.

This publication summarizes the law and applicable regulations in effect as of the date of printing. However, changes in the law, or in regulations may occur. If there is a conflict between the text in this publication and the law, the law will always be controlling.

We welcome your suggestions for improving this publication. Please send your comments to

Board of Equalization
Local Revenue Allocation Section
450 N Street, MIC:27
P.O. Box 942879
Sacramento, CA 94279-0027

Telephone: 916-324-3000
FAX: 916-324-3001

For further assistance, please log onto our website at www.boe.ca.gov, or see our contacts list on the last page of this publication.

State, Local, and District Taxes

The State Board of Equalization administers local taxes under the *Bradley-Burns Uniform Local Sales and Use Tax Law* and district taxes under the *Transactions and Use Tax Law*, which are divisions of the Revenue and Taxation Code.

Recent Developments

Effective July 1, 2004, pursuant to Section 7203.1 of the Revenue and Taxation Code, the Legislature increased the state portion of the sales and use tax rate by 0.25 percent to 6.25 percent and decreased the Bradley-Burns local sales and use tax rate imposed by a city or county by 0.25 percent to 1 percent. Thus, the statewide base tax rate remains at 7.25%.

The state has deposited the 0.25 percent state tax increase into the newly created Fiscal Recovery Fund to pay for bonds issued for deficit reduction. Cities and counties will be reimbursed for the 0.25 percent reduction to local sales and use tax revenues in January and May of each year using property tax revenues collected and disbursed by their respective counties. The reduction to the local sales and use tax rate will continue until the Director of Finance notifies the Board of Equalization that the State of California's obligations for the bonds have been satisfied.

Taxpayers have not changed how they allocate and report the local sales and use tax on their returns and accompanying schedules. The Board is handling the necessary adjustments for the 0.25 percent reduction administratively.

Statewide Sales and Use Taxes

Under the California Sales and Use Tax Law, the sale of tangible personal property is subject to sales or use tax unless exempt or otherwise excluded. When the sales tax applies, the use tax does not apply and the opposite is true. The sales tax is imposed on all retailers for the privilege of selling tangible personal property in the state of California and is measured by the retailer's gross receipts. Use tax is imposed on the purchaser of tangible personal property from any retailer for storage, use, or other consumption in this state and is measured by the sales price of the property purchased. However, if an out-of-state retailer is engaged in business in this state, it is required to register with us and collect the use tax from the purchaser at the time of making the sale.

Components of the Statewide Sales and Use Tax

There is a 7.25 percent statewide sales and use tax base rate that is collected by the Board. The base rate is composed of a state portion and a local portion for cities and counties.

Since January 2002, the state portion has been 6 percent while the Bradley-Burns local sales and use tax rate has been 1.25 percent. (1 percent local and 0.25 percent county transportation fund). Effective July 1, 2004, the state portion increased to 6.25 percent and local portion decreased to 1 percent (see Table 1).

Table 1

Components of the Statewide Sales and Use Tax Rate

<i>Jurisdiction (Fund)</i>	<i>R&T Code</i>	<i>Pre-7/1/04 Rate</i>	<i>Post-7/1/04 Rate</i>
State (General Fund)	6051, 6201	4.75%	4.75%
State (Local Revenue Fund, SLRF)	6051.2, 6201.2	0.50%	0.50%
State (Local Public Safety Fund, LPSF)	S. 35, Art. XIII	0.50%	0.50%
State (General Fund, ASUT)	6051.3, 6201.3	0.25%	0.25%
State (Fiscal Recovery Fund)	6051.5, 6201.5	0.00%	0.25%
Local (County Transportation Fund)	7203.1	0.25%	0.25%
Local (City or County Operations)	7203.1	1.00%	0.75%
BASE STATEWIDE RATE		7.25%	7.25%

Of the one percent local portion, cities and counties are able to use 0.75 percent to support general operations. The remaining 0.25 percent is designated by statute for county transportation purposes and may be used only for road maintenance or the operation of transit systems. Counties have been receiving this 0.25 percent for transportation purposes since 1972 when sales tax was first levied on gasoline.

The state sales and use tax rate is subject to change upon action by the California Legislature. The rates quoted in this publication are correct as of the date of printing; however, you should consult with one of our local offices if you have questions regarding rate changes.

Redevelopment Agencies

Redevelopment agencies are dedicated to improving California communities by combating the blight in declining neighborhoods and business districts. Beginning January 1, 1986, redevelopment agencies were authorized to impose a sales and use tax at a rate of 1 percent or less, to be credited against the city's sales and use tax. Effective January 1, 1994, the law authorizing the creation of new redevelopment agencies for sales and use tax purposes was repealed. Some redevelopment agencies that were approved prior to that date remain in effect and continue to receive sales and use tax revenues. New redevelopment agencies are still permitted for property tax purposes.

District Taxes

In addition to the state and local taxes described above, we administer transactions (sales) and use taxes for voter-approved special districts. As of April 1, 2006, there are 70 such districts in the state with tax rates ranging from 0.10 percent (1/10 percent) to 1 percent. Of these districts, eleven city-county combinations and nine counties have multiple district taxes in effect. The combined state, local, and special district tax rates range from 7.375 percent to a current maximum (in the cities of Avalon and Richmond and the county of Alameda) of 8.75 percent. The Board of Equalization collects and distributes district taxes under contract with each district.

Sales Tax Compared to Use Tax

Sales Tax Allocation

Local tax allocation is based on whether the transaction is subject to sales tax or use tax. The sale is subject to sales tax if the retailer's registered place of business in California participates in the sale and title to the goods passes to the customer within this state. If both conditions are not met, the applicable tax is use tax. Local tax allocation procedures differ between sales and use tax. The allocation of local sales tax is determined by the nature of the participation of the retailer's registered place of business in the sale.

If a retailer has one registered place of business in California and it participates in the sale, the local sales tax is allocated to the jurisdiction in which that place of business is located.

If a retailer has more than one registered place of business in California and only one place of business participates in the sale, the local sales tax is allocated to the jurisdiction where that place of business is located. However, if more than one place of business participates in the sale, the local sales tax is allocated to the jurisdiction in which that place of business is located where the principal negotiations are carried out.

In order to receive a seller's permit for a location from the Board of Equalization, a place of business must

- Be one in which the retailer has a proprietary interest (e.g., ownership or lease)
- Be a location where employees customarily negotiate sales
- Be one in which the retailer has employees permanently stationed or attributed there

Or

- Be a location where a stock of goods is held in California and from which deliveries are made by seller's personnel pursuant to orders placed out of state. (Effective April 1, 2006, sellers with California sales locations are required to have sellers permits for such stock of goods locations even though in-state offices are maintained.)

When a retailer obtains a seller's permit for a place of business, a tax area code is assigned to identify the business location. Generally, the local sales tax is allocated to the assigned tax area code of the taxpayer's registered place of business. When a sale cannot be identified with a permanent place of business in this state, the local sales tax is allocated to the local jurisdictions through countywide or statewide pools. Accordingly, certain sellers are authorized to report their local sales tax either on a countywide or statewide basis. These may include auctioneers, construction contractors making sales of fixtures, catering trucks, itinerant vendors, vending machine operators and other permit holders who operate in more than one local jurisdiction, but are unable to readily identify the particular jurisdiction where the taxable transaction takes place. Special allocation procedures apply to auctioneers and construction contractors in specific circumstances (see Exhibit A).

Use Tax Allocation

Use tax is imposed on the purchase for storage, use, or other consumption in this state of tangible personal property purchased from a retailer. When title to property transfers to the California customer outside this state, the transaction is subject to use tax regardless of whether any registered place of business of the retailer participates in the sale. The local use tax is generally allocated through a countywide pool to the local jurisdictions in the county where the property is put to its first functional use. The ship-to-address is presumed to be the place of use. Examples of taxpayers who report use tax allocated through the countywide pool include construction contractors who are consumers of materials used in the improvement of real property and whose job site is regarded as the place of business, out-of-state sellers who ship goods directly to consumers in the state from a stock of goods located outside the state, and California sellers who ship goods directly to consumers in the state from a stock of goods located outside the state.

Local use tax reported on Line 2 of the sales and use tax return should be reported by the retailer using the tax area code assigned to the registered business location if the use is made at that registered business location; otherwise, it should be reported to the county of use. Local use tax may be directly allocated to the jurisdiction of use in certain circumstances (see "Special Allocation Procedures").

Sales Made Through the Internet

As the volume of Internet commerce continues to increase, more and more local jurisdictions are expressing concern over prospective reductions in sales and use

tax revenue. Internet retailers located in California are required to pay sales tax and report local sales tax revenues like other retailers. Use tax applies to purchases over the Internet from out-of-state retailers the same way as it does to purchases made by telephone and mail order. That is, if the Internet retailer has the necessary physical presence (nexus) in California, they are considered to be engaged in business in this state and must collect use tax when goods are delivered to purchasers in this state.

Special Allocation Procedures

Use Tax Direct Payment Permits

Effective January 1, 1998, Section 7051.3 was added to the Revenue and Taxation Code, to create the "Use Tax Direct Payment Permit," which, under specified circumstances, we may issue to qualified taxpayers. Applicants must certify to us either of the following: (1) the applicant is the purchaser for its own use or is the lessee of tangible personal property (generally excluding vehicle leases) at a cost of \$500,000 or more in the aggregate during the calendar year immediately preceding the application for the permit; or (2) the applicant is a county, city and county, or redevelopment agency. For your convenience, we have included an application for Use Tax Direct Payment Permit in this publication as Exhibit B.

Holders of Use Tax Direct Payment Permits may issue a use tax direct payment exemption certificate to any registered retailer or seller from whom they make purchases that are subject to use tax. Subsequently, holders must self-assess and report the use tax due on the purchase(s) for which the certificate was issued. The local use tax will be reported and subsequently distributed to the jurisdiction in which the first use of the tangible personal property occurs, rather than through the countywide pooling process. Please note, this provision applies to *use* tax transactions only. Exemption certificates may not be issued if the transaction is subject to sales tax. Visit our website at www.boe.ca.gov for the full text of the statute or call our Audit and Information Section at 916-324-2883 for more information.

Leases

Generally, the tax on leases of tangible personal property is *use* tax. Therefore, local tax on rental receipts should be reported to the local taxing jurisdiction where the property is used. For many lessors, because of the type and characteristics of property leased and the method of record keeping, it may be extremely difficult or even impossible to determine the precise location where the property is actually used. Accordingly, administrative guidelines have been established to determine the reporting of local use tax on leases of equipment other than motor vehicles.

Regardless of whether those leases are negotiated in state or out of state, the local use tax is reported by the taxpayer on Schedule B opposite the county of use. For taxpayers who maintain a single permanent place of business *and* make short-term leases of tangible personal property, the local use tax should be reported to the taxpayer's place of business. See Table 2 for more information.

Table 2

Local Tax Allocation Guidelines for Leases

Lease Type and Place Negotiated	Allocation Guidelines
Mobile Transportation Equipment (MTE): Lease negotiated in state	Local use tax allocated to lessor's place of business on Schedule C.
MTE: Lease negotiated out of state	Local use tax allocated on Schedule B opposite county of use.
General equipment: Lease negotiated in state or out of state	Local use tax allocated on Schedule B opposite county of use.

Long-Term Leases of New Passenger Motor Vehicles

Section 7205.1 of the Revenue and Taxation Code sets forth rules for local tax reporting regarding long-term leases of passenger motor vehicles, and certain types of mobile transportation equipment. A long-term lease is defined as a lease for a term exceeding four months. The provisions of Section 7205.1 are summarized as follows:

- If the lessor is a California new motor vehicle dealer (defined in Section 426 of the Vehicle Code), the place of use for reporting the local use tax is the dealer's place of business.
- If the lessor is a "leasing company" as defined in Table 3, the place of use for reporting local use tax is the lessor's place of business.
- If the lessor is not a California new motor vehicle dealer or a leasing company and purchases a vehicle from a California new motor vehicle dealer, the place of use for reporting the local use tax is the business location of the dealer from whom the lessor purchases the vehicle.
- In the case of an out-of-state lessor who purchases a vehicle from an out-of-state source and arranges for a courtesy delivery by a California dealer, the local tax will be reported as follows:
 - (1) If the vehicle is taken from the in-state dealer's resale inventory, the local tax should be reported to the dealer's place of business.

(2) If the in-state dealer does not hold title to the vehicle but merely serves to prepare the vehicle for delivery and process documentation, the local tax should be reported to the lessee's jurisdiction via the countywide pool.

- Lessors required to report the local use tax to the location of the dealer will do so using Schedule F, which will be provided with their sales and use tax returns.

Table 3

**Local Tax Allocation for Motor Vehicle Leases,
Effective January 1, 1999
(Except One-Way Rental Trucks)**

Type of Lessor	Type of Transaction	1% Local Tax Allocation to:	
		Leases Exceeding Four Months	Leases of Four Months or Less
California New Motor Vehicle Dealer/Lessor	Lease of motor vehicle*	Dealer/Lessor's sales location	Dealer/Lessor's sales location
California "Leasing Company" (as defined)**		Lessor's place of business	
California Lessor (other than a new motor vehicle dealer or leasing company as defined)**:	Lease of a motor vehicle* purchased from a California new motor vehicle dealer	Dealer/Lessor's place of business (Schedule F)	Lessor's place of business
	Lease of a motor vehicle* purchased from someone other than a California new motor vehicle dealer	Lessee's place of registration (Schedule B)	
	Lease of MTE*** purchased from a California new motor vehicle dealer (except new pick up trucks rated less than one ton)	Lessor's place of business	
Out-of-State Lessor:	Lease of a motor vehicle* purchased from a California new motor vehicle dealer	California Dealer's place of business (Schedule F)	Lessee's place of registration (Schedule B)
	Lease of a motor vehicle* and MTE*** purchased from someone other than a California vehicle dealer	Lessee's place of registration (Schedule B)	

* **Motor Vehicle** means any (new or used) self-propelled passenger vehicle (other than a house car) or pick up truck rated less than one ton.

** **Leasing company** means a motor vehicle dealer/lessor that originates lease contracts and does not sell or assign the lease contracts and that has annual motor vehicle lease receipts of \$15 million or more annually for each business location.

*** **MTE (Mobile Transportation Equipment)** means equipment used for transporting persons or property for substantial distances such as railroad cars, buses, trucks and truck trailers. For a complete listing of MTE, please see Regulation 1661.

- Lessors who are not California new motor vehicle dealers or who do not purchase motor vehicles from California new motor dealers shall continue to use Schedule B to report the local use tax due on long-term leases to the lessee's jurisdiction through the countywide pool.

Sales of Jet Fuel

Section 7205(b)(2) of the Revenue and Taxation code defines the place of sale for jet fuel for the purposes of allocating local sales tax. For local sales tax purposes we observe the following:

- For periods prior to January 1, 2008, this section provides that when the principal negotiations are conducted in this state and the retailer has more than one place of business in this state, the place of sale shall be the point of delivery (wingtip) of the fuel.
- For periods on or after January 1, 2008, the statute was amended to read: "In the case of a sale of jet fuel, the place at which the retail sale of that jet fuel is consummated for the purpose of a *sales tax* imposed by an ordinance adopted pursuant to this part is the point of the delivery of that jet fuel to the aircraft."

There is no change to the multi-jurisdictional airport allocation methods. In the case of a multi-jurisdictional airport (the airport that is owned or operated by a jurisdiction different from where the airport is located), half of the revenue goes to the city or county that owns or operates the airport and the remaining half to the city or county in which the airport is located. See special rules which apply only to San Francisco International and Ontario International airports.

Regulation 1802(b)(7) provides specific details regarding the proper allocation of the local sales tax on jet fuel. Visit our website, www.boe.ca.gov for the full text of the statute and regulation.

Construction Contracts Over \$5 Million

Under a Board resolution adopted in 1994, an installing construction contractor or subcontractor may elect to obtain a sub-permit for the job site of a contract valued at \$5,000,000 or more. This option provides local jurisdictions the opportunity to receive the local tax on materials consumed and fixtures furnished by the contractor directly, rather than through the countywide pooling process. It is important to note that participation by contractors is strictly voluntary. This is a complex subject, and if you have questions, you should contact our Local Revenue Allocation Section for assistance at 916-324-3000.

Auctioneers

For purposes of allocating the local tax, the place of sale for auctioneers is the place where the auction is held. If the auction is held at a location other than the auctioneer's registered place of business, the following allocation guidelines should be used:

- Taxable auction sales totaling \$500,000 or more per event—local tax is reported directly to the jurisdiction where the auction occurs on Schedule BOE-530B—combined 1 percent state and local tax allocation for temporary sales locations and certain auctioneers.
- Taxable auction sales totaling less than \$500,000 per event—local tax is reported to the countywide pool where the auction occurs on Schedule B—*Detailed Allocation by County of 1 Percent Combined State and Uniform Local Sales and Use Tax*.

Sales and/or Purchases Of \$500,000 or More Subject to Use Tax

Generally, interstate sales made by out-of-state retailers to California consumers are subject to use tax unless otherwise exempt. The local use tax on such interstate sales into California is usually reported opposite the county to which the goods are shipped. However, out-of-state retailers who are engaged in business in this state and collect use tax on single interstate sales of \$500,000 or more, must report the local use tax to the specific jurisdiction in which the first functional use of the property occurs rather than through the countywide pool. This generally is presumed to be the jurisdiction to which the goods are shipped. This applies to use tax only and not to sales tax transactions.

Persons who self-report or retailers who purchase tangible personal property of \$500,000 or more per transaction from sellers who are not required to collect the tax must report the local use tax to the jurisdiction where the property is first functionally used.

Schedules Used for Reporting the Combined 1 Percent State and Local Tax Allocation

Statewide or Countywide Pool Allocations (Schedule B)

Some taxpayers are authorized to report their local tax either on a statewide or countywide pool basis. These taxpayers are issued an additional schedule (*Schedule B—Detailed Allocation by County of Combined State and Uniform Local Sales and Use Tax*, BOE-531) with their sales and use tax return. *Schedule B* lists each county within the

state of California, and sales or use tax should be entered opposite the county of sale or use, as provided by statute or regulations. At the end of each reporting quarter, the countywide pool totals are prorated, first among the cities, the redevelopment areas, and the unincorporated area of each county using the proportion that the identified tax for each city and unincorporated area of a county bears to the total identified for the county as a whole. Next, the combined total of the direct allocation and the prorated countywide pool amount is used to allocate the statewide pool amount to each city, redevelopment area, and county (see Exhibit C).

Allocations for Multiple Business Locations (Schedule C)

Taxpayers report the amount of local tax payable for each registered business location. When a taxpayer has retail outlets in more than one local jurisdiction, they are issued an additional schedule (*Schedule C—Detailed Allocation by Sub-outlet of Combined State and Uniform Local Sales and Use Tax*, BOE-530) with the sales and use tax return. Using this schedule, the taxpayer allocates the 1 percent combined state and local tax generated at each location. The 1/4 percent county transportation portion of the local tax rate is allocated automatically by us based on the local tax allocation information provided by the taxpayer.

Additional Special Allocation Procedures—Use Tax (Schedule F)

Some taxpayers are required to report local use tax to jurisdictions where they are not directly engaged in business. Examples include lessors of motor vehicles acquired from a new motor vehicle dealer, persons making sales or purchases in interstate commerce totaling \$500,000 or more per transaction, and purchasers who self-report the use tax on goods purchased from sellers who are not registered to collect the tax when the purchase price is \$500,000 or more. In the first case, the taxpayer identifies the city, county, or city and county of the new motor vehicle dealer from whom the vehicle was acquired; and in the second and third instances, the taxpayer identifies the jurisdiction where the first functional use of the property will occur (generally deemed to be the place in California where the goods are delivered).

Tax Agreements Among Local Jurisdictions

Sharing Local Tax from Taxpayers

True “revenue sharing” means the sharing of local tax revenues *after* they have been distributed. Article XIII, Section 29, of the California Constitution authorizes cities and counties to enter into revenue sharing agreements as follows:

(a) The Legislature may authorize counties, cities and counties, and cities to enter into contracts to apportion between them the revenue derived from any sales or use tax imposed by them which is collected for them by the State. Before any such contract becomes operative, it shall be authorized by a majority of those voting on the question in each jurisdiction at a general or direct primary election.

(b) Notwithstanding subdivision (a), on and after the operative date of this subdivision, counties, cities and counties, and cities may enter into contracts to apportion between them the revenue derived from any sales or use tax imposed by them pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law, or any successor provision, that is collected for them by the State, if the ordinance or resolution proposing each contract is approved by a two-thirds vote of the governing body of each jurisdiction that is a party to the contract.

As an example, a business that is located in one jurisdiction draws its customer base from a neighboring jurisdiction. The local jurisdictions involved may wish to split the revenues generated at this location.

By contrast, a retail establishment may straddle a border with sales being made in more than one jurisdiction. In this case, the neighboring jurisdictions may agree to divide the revenues for this location based on the percentage of sales occurring at each place. A separate sub-permit is issued for the same location in each jurisdiction, and the local tax is allocated accordingly. This is *not* considered “revenue sharing,” but simply a clarification of “place of sale.”

Defaulting Local Tax from City to County

Cities often make agreements to pay for services provided by the respective county by providing a percentage of the city's local tax that we pay directly to the county. This is done in-lieu of writing a check to the county.

A city's local tax may be imposed up to 1 percent (*before 0.25 percent reduction per Section 7203.1*). All ordinances should be based on a 1 percent local tax rate and we will handle the 0.25 percent reduction per section 7203.1 administratively. A city *may adopt* an ordinance to impose a local tax rate of less than 1 percent which will result in the city defaulting the balance of the 1 percent rate to the county in which the city is located. A city may amend its *existing* ordinance to reduce the local sales and use tax rate by the amount that will be defaulted to the county. Or a city (usually a new one) may enact a *new* ordinance setting its tax rate at less than 1 percent at the outset. In either case, the city must enact an ordinance reducing the local sales and use tax rate by the amount that will be defaulted to the county. For example, City A, which is located in County B, currently received 100 percent of the 1 percent local tax imposed in that city. The new ordinance states that City A will receive 95 percent of the local tax, and County B will receive 5 percent. As a result, the city's rate would be 0.95 percent, and the county's 0.5 percent. In addition to a certified copy of the *city's* ordinance, we require a copy of the *county's* ordinance or other confirming document.

Administrative Charges and Costs

Board of Equalization Administrative Charges

We are required to charge each city, city and county, county, redevelopment agency, and special taxing district for the services we provide in administering the local entity’s tax ordinance. We determine the amount to be charged with the agreement of the Department of Finance, based on the local entity’s total computed cost, including direct, shared, and central agency costs. We then deduct these costs from the quarterly tax distributions.

Computation of Costs

When the amount of local tax collected for each jurisdiction has been computed, and the amounts for cities engaged in revenue sharing plans with their respective counties have been reduced accordingly, the state’s administrative cost is deducted from each jurisdiction’s total due.

In addition, 1998 legislation provides that beginning with fiscal year 1998-99, administrative costs charged to special taxing districts (transactions and use taxes) shall not exceed the lesser of the percentage we would have charged for the 1998-99 fiscal year or the following percentages of gross collections:

District Tax Rate	Administrative Cost Limit
Less than 1/4 percent	5.0 percent (.05)
1/4 percent (.0025) up to but less than 1/2 percent (.005)	3.0 percent (.03)
1/2 percent (.005) or greater	1.5 percent (.015)

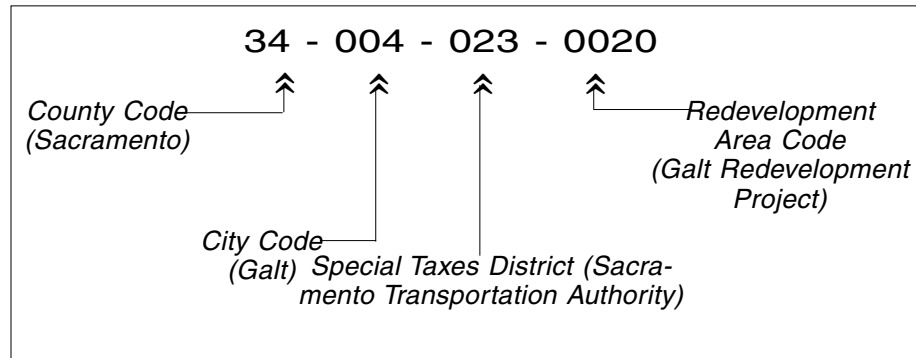
For additional information regarding the computation of administrative costs, please contact our Budget Section at 916-324-9648.

Using Tax Area Codes to Distribute Local Taxes

Role of Tax Area Codes

Each city, city and county, county, special taxing district, and redevelopment area is identified by a 12-digit area code assigned to the business address. Accurate tax area coding is critical to the allocation process because it is the basis for distributing tax revenue collected to the place of sale or use. Our area code specialists verify business addresses with maps provided by the cities and counties to ensure that proper tax area

Example A
Sample Tax Area Code



codes are assigned. Business addresses that cannot be properly identified by the use of available maps are researched further with the aid of property tax parcel maps and local jurisdiction representatives.

Tax Area Code Structure

The tax area code identifies the county and city in which a business is located, as well as the special taxing district(s) and redevelopment area, if applicable. On the next page is an example of the 12-digit tax area code for an area within the city of Galt.

To avoid incorrect allocation of revenue, cities and counties should bring questionable tax area coding items to our attention to establish a “date of knowledge” as soon as possible. Since the law prohibits redistribution of misallocated local funds beyond three quarterly periods preceding the date of knowledge of the misallocation, prompt notification is essential.

Date of Knowledge for Redistribution of Local Sales and Use Tax

Section 7209 of the Bradley-Burns Uniform Local Sales and Use Tax Law provides as follows:

The Board may redistribute tax, penalty, and interest distributed to a county or city other than the county or city entitled thereto, but such redistribution shall not be made as to amounts originally distributed earlier than two quarterly periods prior to the quarterly period in which the Board obtains knowledge of the improper distribution.

A date of knowledge (DOK) of improper distribution can be established using either of the following two methods:

- (1) We receive an inquiry from an Inquiring (local) Jurisdiction or its Consultant (IJC) for investigation of suspected improper distribution of local tax. Generally, such inquiries are sent directly to our Allocation Group. For more information on IJC inquiries, see the section "Submitting Inquiries/Date of Knowledge" in this publication.
- (2) One of our employees discovers factual information sufficient to support the probability that an erroneous allocation of local tax may have occurred, and that allocation is questioned. A date of knowledge is established when the employee questions the allocation. Since we review taxpayer returns when filed, we may identify probable erroneous allocations before the tax amount is distributed.

Local governments should maintain written evidence that notice of improper distribution was provided to us. Accordingly, we recommend that inquiries into suspected improper distributions be mailed or faxed to our Allocation Group. Their address and telephone number can be found at the back of this publication.

When we verify improper distributions, redistributions may be processed for amounts originally distributed no more than two quarterly periods before the quarterly period in which we establish a date of knowledge. Since local tax is generally distributed during the quarter following the period for which tax is reported, redistributions are usually processed for the three quarters immediately preceding the quarter in which the date of knowledge is established.

For example, City A notifies us in a letter received on March 15, 2004, that Taxpayer X opened a business in that city in February 2003, but no tax has been allocated to that city from that taxpayer. We investigate City A's inquiry, find that the city is correct, and that this taxpayer's local tax has been improperly allocated to City B. The investigation is completed on April 2, 2004. Although the verification is not made until the second quarterly period, the date of knowledge (March 15) is in the first quarterly period. Accordingly, we will redistribute (reallocate) the local tax from City B to City A for the second, third, and fourth quarters 2003. Although the business opened in the first quarter 2003, Section 7209 prohibits the reallocation of local tax for that period because the tax was distributed more than two quarters earlier.

For additional information regarding procedures for submitting inquiries, please see the section "Submitting Inquiries/Date of Knowledge" in this publication.

We understand that this is a complex area of the law and that you may have questions and comments. Please contact our Local Revenue Allocation Section if you wish to obtain more information.

Assembly Bill (AB) 990—Effective January 1, 2000

Assembly Bill 990—a collaborative effort of the Board, the California State Association of Counties, and the League of California Cities—added section 6066.3 to the Revenue and Taxation Code to develop an efficient and effective working relationship in the review, posting, and correction of local tax records. Section 6066.3 authorizes each city, county, and city and county to collect information from persons desiring to engage in business in that jurisdiction for the purposes of selling tangible personal property and transmit that information to us. The information submitted serves as (1) a preliminary application for a seller's permit, (2) notification to us by the local jurisdiction of a person desiring to engage in business in that jurisdiction for the purposes of selling tangible personal property, and (3) notice to us for purposes of redistribution under Section 7209. (See "Submitting Inquiries/Date of Knowledge" in this publication.)

Procedures established to enable local jurisdictions to participate in the process are summarized below:

1. The local jurisdiction contacts the district office's Principal Compliance Supervisor (either by telephone or mail) to enroll in the program.
2. Once enrolled, the local jurisdiction is provided with the following:
 - a) Computer software to facilitate the AB 990 program.
 - b) The name, telephone number, and e-mail address of our district contact person.
 - c) Instructions for submitting a request for taxpayer registration.
 - d) Instructions for submitting a notification of suspected misallocated local tax.
 - e) A single centralized e-mail address to be used for submitting requests.
3. The local jurisdiction is also scheduled to receive the monthly Statewide Registration CD for open and closed businesses and permits.

Occasionally, locals may find a business with the same start date and closeout date on the Registration CD. If the last position on the registration record contains a "T," the permit was issued to a temporary seller; and no action is necessary. If there is no "T," our records will show that the business *did not operate*. If the inquiring local jurisdiction has factual information to support the position that the business did indeed operate, a notice of suspected misallocation should be submitted on a form BOE-549-S or BOE-549-L. See the section "Submitting Inquiries/Date of Knowledge" for more information.

AB 990 is not intended to replace other inquiry procedures already in place. For additional information regarding AB 990, please contact your local district office.

District Transactions (Sales) and Use Taxes

District Taxes

District taxes are additional transactions (sales) and use taxes imposed within special tax districts pursuant to the Transactions and Use Tax Law of the Revenue and Taxation Code. They are reported on *Schedule A—Computation Schedule for District Tax*. The words *transaction* and *transactions* as used in that law have the same meaning respectively as the words *sale* and *sales* in the Sales and Use Tax Law. District taxes are imposed through voter approval of ordinances adopted by the districts' governing boards. Sections 7285 and 7285.5 of the Revenue and Taxation Code authorize counties to levy transactions and use taxes under specified conditions. In 2004, sections 7285.9 and 7285.91 were added authorizing cities to levy transactions and use taxes under specified conditions.

The proceeds from district taxes may be used for transportation or other government services, but the intended use of the tax dollars must be specified in the ordinance submitted to the voters. Currently, district tax rates range from 0.10 percent (1/10 percent) to 1 percent. Some cities and counties have more than one district, resulting in a combined district tax rate of up to 1.50 percent.

Administrative Differences Between Local Sales & Use Tax and Transactions & Use Tax

There are two major distinguishing differences between local sales and use tax and the transactions and use tax laws.

Date of Knowledge

The Bradley-Burns Uniform Local Sales and Use Tax Law provides that redistribution of tax, penalty, and interest distributed to a county or city other than the county or city entitled thereto, but shall not be made earlier than two quarterly periods prior to the quarterly period in which we obtain knowledge of the improper distribution. The Transactions and Use Tax Law contains no such statutory limitation regarding redistribution of funds. However, administratively, we have generally restricted such redistributions to the three-year limitation found in section 6487.

Place of Sale

Under the Bradley-Burns Uniform Local Sales and Use Tax Law, most retail sales are deemed to occur at the retailer's place of business in this state where the sale is negotiated. (Exceptions may include certain auctioneers, vending machine operators, and construction contractors). If the retailer has more than one place of business in this state, the sale is deemed to occur at the location where the principal negotia-

tions take place. Generally, the combined 1 percent state and local sales tax portion of the statewide 7.25 percent sales and use tax is allocated to the jurisdiction where the retailer's place of business is located, and the local use tax is generally allocated through the countywide pool where the property is used.

For purposes of distributing the district tax, the tax generally follows the merchandise. That is, the tax is distributed to the district where the goods are delivered (and presumably used). District tax distributions are, therefore, affected by the definition of *place of sale*, which relies on the following factors that also determine if district tax is applicable. If the conditions in (a) are not met, the retailer should look at (b) to see if he or she must collect and report the use tax.

- a. *Transactions (Sales) Tax*—The retailer has a business location in the district, and the sale and delivery occur at that location.
- b. *District Use Tax*
 - The retailer is engaged in business in the district.
 - The retailer has any kind of representative operating in the district for purposes of making sales or deliveries or for taking orders.
 - The retailer derives rentals from a lease of tangible personal property in the district.
 - The retailer sells or leases vehicles, undocumented vessels, or aircraft that will be registered in the district.

Differences in the Application of Local Sales and Use Tax and the Transactions and Use Tax

Occasionally, representatives of local jurisdictions attempt to draw a correlation between local sales and use tax and the transactions and use tax revenues collected in their city and/or county. Since the factors determining whether a transaction is subject to local sales and use tax differ from those that indicate whether the same transaction is subject to transactions and use tax, it is not always possible to establish a direct correlation between the two. The following examples illustrate the taxability of certain sample transactions.

- If a seller has a place of business in the city of Sacramento, which is in the Sacramento Transportation Authority (STAT) district, and makes over-the-counter sales, the seller is liable for STAT district transactions tax, and local sales tax is allocated to the place of business (Sacramento).
- If an in-state seller is located outside the STAT district (in Vallejo, for example) but has agents in the district who make sales to customers in the district, the seller must report the STAT district use tax. Local sales tax is allocated to seller's in-state location (Vallejo).

- If a seller has no in-state location and no in-state inventory of goods, but sales personnel call on customers in the STAT district, the seller is liable for STAT district use tax. The local use tax is allocated through the countywide pool to local jurisdictions in the county of delivery (Sacramento).
- If a seller has a place of business in the city of Sacramento, which is in the STAT district, but ships property pursuant to a contract of sale to a purchaser in Placer County, which has no district tax, generally district tax does not apply, and local sales tax is allocated to the city of Sacramento.
- If a seller has a place of business in the city of Sacramento, which is in the STAT district, but ships property via common carrier pursuant to a contract of sale to a purchaser in the city of Anaheim, which is in the Orange County Transportation Authority (OCTA) district, the seller is not considered to be “engaged in business” in OCTA and is not liable for any district tax. The local sales tax is allocated to the city of Sacramento. The purchaser must self-report OCTA use tax.

For additional information regarding district taxes, see sales tax publication 44, *Tax Tips for District Taxes*, which can be found on our website under “Forms & Publications,” or by calling our Information Center at 800-400-7115.

Method of Payment

Method of Computing Local Tax Payments

To maintain a reliable and steady cash flow to the cities, counties, and special districts, we distribute quarterly tax revenues using the following method:

Using the prior year’s like quarterly tax allocation as a starting point, we first eliminate nonrecurring transactions such as fund transfers, audit payments, and refunds. Then we adjust for growth and the state tax (effective July 1, 2004), in order to establish the estimated base amount. We distribute 90 percent of the base amount to each local jurisdiction in three monthly installments (advances) prior to the final computation of the quarter’s actual receipts. We withhold 10 percent as a reserve against unexpected occurrences that can affect tax collections (for example, earthquake, fire, or other natural disaster) or distributions of revenue such as unusually large refunds or negative fund transfers. The first and second advances each represent 30 percent of the 90 percent distribution, while the third advance represents 40 percent. One advance payment is made each month, and the quarterly reconciliation payment (cleanup) is distributed in conjunction with the first advance for the subsequent quarter. Statements showing total collections, administrative costs, state tax adjustment, prior advances, and the current advance are provided with each quarterly cleanup payment. Statements can be found on our website at www.boe.ca.gov.

A worksheet for computing a local jurisdiction's quarterly advance, *Quarterly Advance Worksheet*, is Exhibit D in this publication.

Report Early on Significant Business Changes

To ensure that advances reflect actual activities as closely as possible, local jurisdictions should advise our Local Revenue Allocation Section of any new retailers or shopping malls opening that may significantly impact the advances. Similarly, the closing (or relocation to another jurisdiction) of any large retailer should be brought to our attention to avoid overpayment of advances.

Annual Allocation Calendar—Local and District Taxes

Annual Allocation Calendar

Each year we post the Local and District Tax Allocation Calendar on our website. Table 4, below, is an example of that calendar. An explanation of each column of information is provided on the following pages.

Table 4

Example of the Local and District Tax Allocation Calendar

Reporting Period & Due Date	Media Allocation Period	Statement Allocation Period	Allocation Periods for Cleanup	Statement Release Date	Warrant Issue EFT Posting Date
April 2004 5-31-04	5-14-04 6-11-04	6-12-04 7-14-04		7-12-04	7-21-04
May 2004 6-30-04	6-12-04 7-14-04	7-15-04 8-12-04		8-9-04	8-18-04
June, Fiscal 2nd Qtr 2004 7-31-04	7-15-04 to 8-12-04	8-13-04 to 9-14-04	5-14-04 to 8-12-04	9-15-04	9-24-04

Every effort will be made to make each payment on the scheduled date. However, unforeseen circumstances may result in changes.

Reporting Period and Due Date

Generally, sales and use tax is reported on a monthly, calendar quarterly, calendar yearly, or fiscal yearly basis. Although some taxpayers have received authorization to report their taxes on an irregular quarterly reporting period to accommodate their accounting cycle, the following explanation applies to taxpayers filing on regular reporting periods.

Monthly reporting periods are self-explanatory. Yearly reporting periods may be based on the calendar year (January 1 through December 31) or fiscal year (July 1 through June 30). Quarterly periods cover the following dates:

- 1st quarter - January 1 through March 31
- 2nd quarter - April 1 through June 30
- 3rd quarter - July 1 through September 30
- 4th quarter - October 1 through December 31

Monthly tax returns must be filed (postmarked) on or before the last day of the month following the month for which the tax is due. For example, tax returns for the month of May must be filed on or before June 30.

Quarterly tax returns must be filed (postmarked) on or before the last day of the month immediately following the quarterly period. For example, tax returns for the first quarter (January through March) must be filed on or before April 30.

Yearly tax returns must be filed (postmarked) on or before the last day of the month following the end of the year for which the tax is due. For taxpayers whose reporting year ends December 31, the return must be filed on or before January 31 of the following year. Taxpayers reporting on a fiscal year basis (fiscal year ending June 30) should file their returns on or before July 31.

Note: *Return filing due dates that fall on weekends or state holidays will automatically be extended to the next business day. The majority of the largest tax-reporting businesses are located out of state; consequently, tax returns from these taxpayers, even though postmarked by the filing date, often do not reach our Sacramento headquarters until five to seven calendar days from mailing.*

Taxpayers whose estimated taxable measure averages \$17,000 or more per month are generally required by law to make monthly prepayments. For local tax purposes, however, prepayments cannot be allocated until the quarterly return is filed, since the return contains the specific allocation information.

Media Allocation Periods

Each month, registration and allocation reports are provided to qualified local jurisdictions using a variety of formats, or media (for example, CD and paper). In an effort to provide adequate time for our staff to make manual adjustments to tax returns and still process the returns as expeditiously as possible, we have assigned monthly allocation periods that roughly correspond to the mid-month points for each monthly reporting period. In this manner, we can promptly allocate local tax reported on returns that are received up to two weeks before the due date, as well as those that are received up to two weeks after the due date. This means, for instance, that the allocation period for returns due on or before June 30 is June 12 through July 14. This method is used for monthly allocations only.

Statement Allocation Periods

We are required by statute to distribute sales and use tax revenues to local jurisdictions at least twice in each calendar quarter. However, in order to ensure a steady cash flow to local governments, we make every effort to distribute these funds on a monthly basis using the “advance” method of payments described in the previous section, *Method of Payment*. Advances are distributed to local jurisdictions and special tax districts based on periods identical to Media Allocation Periods (see the previous paragraph).

In the sample calendar in Table 4, the date 8-18-04 in the column labeled “Warrant Issue EFT Posting Date” corresponds to the “Statement Allocation Period” column date 7-15-04 to 8-12-04. This means that the advance payment distributed to local jurisdictions and special districts on August 18, 2004, represents the (estimated) tax revenues collected for the return month of June (returns due on or before July 31, 2004).

Allocation Periods for Cleanup

As discussed in the section *Method of Computing Local Tax Payments*, the cleanup payment is the reconciliation between the total of the three advance payments and the actual collections (less the state tax per section 7203.1 and administrative fee) for any given quarterly return period. Accordingly, the column labeled “Allocation Periods for Cleanup” displays a full quarterly (three-month) time span. The dates representing the quarterly cleanup period correspond to the monthly dates for the months occurring in that quarter.

Statement Release Date

This date is the date on which information regarding advance and/or cleanup payments should be available. Local jurisdictions and special tax districts desiring to view their statement on our website may do so *after this date*.

Warrant Issue—EFT Posting Date

On this date, warrants for advances and/or cleanup payments are mailed by the State Controller’s Office or deposited by Electronic Funds Transfer to the local jurisdiction’s account.

Local jurisdictions can view their current statement of payment on our website, www.boe.ca.gov. Under BOE Programs, click on “Local Tax.” Once on the Local Tax page, go to “Local Jurisdictions,” and click on “Local Tax Statement of Distributions.” Click on the

indicator opposite your jurisdiction category (city or county, county, redevelopment agency, or district) and enter the correct code in the box opposite "Jurisdiction Code." Click on "Send Request," and your statement will be displayed. An alphabetical listing of jurisdiction codes will be available at the bottom of the page.

You can also download allocation calendars for the current and next calendar year by clicking on the hyperlink at the bottom of the Local Jurisdiction Statement inquiry page.

Using Registration Data to Ensure Correct Allocation

Use of Registration Data Provided by the Board

When a city, city and county, or county contracts for state administration of local sales and use tax, the Board creates for that jurisdiction registration data listings for all sellers within the local jurisdiction (Exhibit E). Upon request, and every month thereafter, each jurisdiction may receive registration updates for any additions, deletions, address changes, and other changes processed by the Board on CD (see Exhibit F, *Media Registration* form). The 3x5 registration cards will be discontinued sometime in 2006.

Registration data provided to local jurisdictions is confidential and may only be examined by a jurisdiction's employee or representative (consultant) authorized by a resolution of the legislative body of that jurisdiction under section 7056.

Verifying Tax Area Codes

Local jurisdictions should use the registration data to verify the accuracy of tax area codes assigned to each account since an incorrect area code results in the misallocation of the local tax generated by that account. If errors are noted, our nearest district office (telephone numbers are listed in the telephone book white pages) should be notified to review the taxpayer's file and make any necessary corrections.

Cities and counties that have street range listings for their jurisdictions can assist us by providing that information to our Local Revenue Allocation Section. This information can be used to identify jurisdictions for the business locations in order to assign the correct tax area codes. This same information is particularly helpful for jurisdictions that have streets crossing boundaries with neighboring jurisdictions or for streets that form jurisdictional borders.

Identifying Unregistered or Unlicensed Businesses

We encourage cities and counties to compare their business license records with our registration records to determine if businesses located within their boundaries are

registered with us and operating with the appropriate local business licenses. It is important to note that seller's permits contain the following information:

- Taxpayer's name (and dba, if applicable)
- Business address
- Permit (account) number

Permits do not include local jurisdiction tax area code information, and, in many cases, business address information can be misleading. For example, a business address may indicate a postal delivery location in the city of San Diego, but the actual location may be outside the city limits. The fact that the local tax would correctly be allocated to the unincorporated area of the county of San Diego is not discernible from the address only.

Local tax allocation information is included on the application for a seller's permit, as well as on the taxpayer's sales and use tax return. Local jurisdictions may request copies of these documents from the taxpayer when registering them for a new business license to ensure correct local tax allocation. Local jurisdictions should notify their local district office regarding businesses (potential taxpayers) operating without a state seller's permit so that we can register them and subsequently distribute the correct local tax revenue to the proper jurisdictions. Before notifying us of suspected problems, cities and counties should clarify whether 1) the business is operating from a location within the city limits or unincorporated area of the county, and 2) if the business is making sales of tangible personal property that are subject to sales or use tax.

In addition, it is helpful to provide us with the name, telephone number, and mailing address of the business's contact person for follow-up procedures. Jurisdictions may wish to enroll in the AB 990 program discussed earlier to notify the local district offices of potentially unregistered sellers.

Temporary Sellers, Special Events, and Trade Shows

Temporary seller's permits are generally issued to selling operations of a temporary nature, that is, lasting no more than 90 days at one location. Examples of such operations include rummage sales, Christmas tree lots, and fireworks stands. While these sellers are not required to hold a permanent seller's permit, they are required to hold a temporary permit so as to collect and pay the appropriate sales and use tax. Local jurisdictions should monitor these activities closely to ensure proper reporting of state and local taxes.

Sellers who are registered with permanent places of business occasionally occupy temporary locations in other jurisdictions. For example, a new car dealership registered in one city may participate in a multi-dealer sales event, like a "parking-lot sale" at an offsite location in another city. The local sales tax generated at the temporary location should be allocated to the jurisdiction where the event occurs. The temporary

location should be added to the taxpayer's Schedule C. Or, if a Schedule C is not issued with the taxpayer's sales and use tax return, a Form BOE-530-B (Temporary Schedule C) should be used. This form can be obtained from the Board's website or by contacting the Information Center at 800-400-7115.

Other special events include swap meets, fairs, flea markets, and similar activities where sales of tangible personal property occur. Operators of special events are required to verify that each seller-participant is the holder of a valid seller's permit or to obtain a written statement from the seller stating that he or she is not selling any item that is taxable. Local jurisdictions should verify that the local tax derived at these events is properly reported.

Out-of-state retailers who participate in conventions and trade shows are not required to collect use tax on sales made subsequent to the event if the following conditions are met: (1) in-state convention and trade show participation does not exceed 15 days in a 12-month period, and (2) the seller does not derive more than \$100,000 of net income from event activities during the prior calendar year. Please note, however, all sales occurring *at* the event are subject to the use tax when there is a sale of tangible personal property and the goods are shipped to the customer from an out-of-state inventory.

Notifying New Businesses of Seller's Permit Requirements

Cities and counties can also assist in encouraging businesses to apply for a permit at an early date by notifying business license applicants that their business activities may require them to hold a seller's permit. Such notification can be accomplished in several ways. For example, a notice may be added to the application for a business license, or a copy of our publication 107, "Do You Need a California Seller's Permit?" may be distributed to applicants. Copies of publication 107 may be obtained from our website under "Forms & Publications," by selecting "All Publications" or by contacting our Information Center at 800-400-7115. If a notice is added to the application for business license, the law requires that the following language be used:

Sales or use tax may apply to your business activities. You may seek written advice regarding the application of tax to your particular business by writing to the nearest Board of Equalization office.

Use of Allocation Data

In addition to the registration data we provided, local jurisdictions may also request from us a list of the local tax dollars distributed to the jurisdiction from taxpayers' returns. They may also request allocation data relating to the countywide and state-wide pools for their county. If they do so, it is recommended that they also order registration data for purposes of cross-referencing unfamiliar account numbers. Local jurisdictions typically monitor this data for questionable tax allocations, unusual

dollar amounts, or missing allocations or fund transfers. The data is also useful as a budgeting tool.

The “Top-25” list is another type of allocation report available to you. This report lists, in alphabetical order by business name, the top 25 retailers with ongoing business activities located within the jurisdictions. You can request it from our Local Revenue Allocation Section by calling 916-324-3000.

Access to Board Records

Procedure to Obtain Access to Board Records

Section 7056 of the Revenue and Taxation Code provides that if any county, city and county, city, or district wishes to examine sales, transactions, and use tax records to ascertain the taxes collected for that jurisdiction pursuant to a contract between the Board and that jurisdiction, it must adopt a resolution authorizing one or more of its officials, employees, or other designated person to examine those records. When adopting the required resolution, jurisdictions are encouraged to adhere to the following guidelines:

- List *all* positions that need access to confidential sales and use tax records. Remember that we can provide confidential information only to those named in the resolution. (We suggest that position titles only rather than individual names be authorized in order to allow for personnel changes.)
- The resolution may grant authority to a specific official (by position rather than name) giving that official the right to designate other officials by written notice. Using the position designation option avoids the need to adopt a new resolution each time authorized personnel are added or deleted.
- When a consultant is designated, Section 1 should include an official who is authorized to receive confidential information from the consultant.
- Section 2 of the sample resolution is intended to authorize access to confidential sales and use tax information for *specific* governmental functions other than the routine review of records to ascertain local tax allocation (which is authorized in section 1). The “specific governmental purpose(s)” must be stated in the resolution.
- Rescind any and all prior resolutions when adopting a new resolution, unless there are circumstances where separate resolutions are necessary.

See Exhibits G, H, and I for sample resolutions.

Confidentiality of Records

Local officials who are allowed access to confidential records should note that the use of such information is limited to the governmental purposes set forth in the resolution and is not subject to release in public meetings or other such forums. Confidential records may not be shared with other local officials who have not been authorized by resolution.

Sales & Use Tax Registration and Allocation Information

As discussed in the previous section, any local jurisdiction desiring to receive confidential registration and/or allocation information from us must adopt a resolution pursuant to section 7056 of the Revenue and Taxation Code. Currently, we provide registration and allocation information to cities, counties, and special tax districts upon request. The registration information for special tax districts is related to taxpayers who are registered within the jurisdiction that is co-terminus with the district, that is, a countywide district would receive registration data for taxpayers registered in that county, and a citywide district would receive information for taxpayers registered within the city limits. This data is available in two formats, paper and CD. There is no charge for this service.

Registration

A *Start-up Deck* lists all active businesses (including sub-locations and recent close-outs) in the jurisdiction. Delivery is in two to three weeks from the date the request is received. Start-up decks are available at no charge to the requesting jurisdiction once per 12-month period. For information regarding fees for additional start-up decks, please contact the Local Revenue Allocation Section.

Monthly Updates consist of the registration changes for a jurisdiction processed during the preceding month. Each jurisdiction is expected to maintain its own registration database to monitor its local tax allocation. Delivery begins the month after the request is received. Redevelopment project (In-Lieu) permits are included in the appropriate city's monthly updates and are listed separately at the end of the file by redevelopment project area code. Monthly updates are not available for special tax districts.

Allocation

Allocation History, which lists local tax revenue distributions by month, is available for a maximum of 36 months. Delivery is typically two to four weeks after a request is received.

Monthly Allocation consists of local tax distributions by jurisdiction during each month. Delivery typically begins four to six weeks after a request is received. Table 5 describes, by medium, the types of information available to local jurisdictions.

How to Order

Registration and Allocation Media can be ordered by completing the Registration/ Allocation Media Request form, Exhibit F, and returning it to our Local Revenue Allocation Section. In order to receive allocation and/or registration media, the local jurisdiction must have a resolution on file with us authorizing an official, employee, or other designated person to examine the appropriate sales or transactions and use tax records.

Exhibits J–P may be helpful in interpreting the information found on registration and allocation media.

Table 5

ALLOCATION AND REGISTRATION INFORMATION CURRENTLY AVAILABLE IN MEDIA FORMAT

CD-ROM SPECIFICATIONS

1) Recording Mode	MS/DOS Format
2) Capacity	640 MB
3) Internal Label	None
4) External Label	Date created, jurisdiction number and name, indicator of registration and/or allocation files, allocation period.
5) Record Size/Layout	_____
• Registration Data	380 Characters
• Allocation Data	175 Characters
6) File Name	Prefix of 1 to 8 characters, a period, and the extension TXT .
7) Data Format	ASCII text file (ASCII character codes 32-126) with no field delimiters or field separators. Each line ends with a carriage return and line feed. All decimal points are explicit. Numeric fields are zero-filled. Alpha numeric fields are space-filled.

PAPER

1) Registration Data	3 x 5 buff-colored cards
2) Allocation Data	Standard 8-1/2" x 11" sheets

Board Offices Administering Local Taxes

Allocation Group

The Allocation Group reviews and processes local tax recommendations made by field audit staff. This may include reallocation of local taxes between jurisdictions within the time permitted by the statute of limitations. In addition, the Allocation Group is responsible for processing written inquiries from local jurisdictions and/or their representatives regarding questionable or disputed local tax allocations.

Our Allocation Group may be contacted by writing

Board of Equalization
Audit Determination and Refund Section (Allocation Group)
450 N Street, MIC:39
P.O. Box 942879
Sacramento, CA 94279-0039

They may also be contacted by phone at 916-445-1315 or by fax at 916-322-8834.

Local Revenue Allocation Section

The Local Revenue Allocation Section is responsible for the initial allocation and distribution of all local taxes reported on sales and use tax returns, audit findings, and accounts receivable. This includes the distribution of transactions and use (district) taxes. Questions regarding monthly advances, quarterly cleanup payments, local tax laws and regulations, and media requests (among others) may be directed to this section. Local Revenue Allocation Section may be contacted by writing

Board of Equalization
Local Revenue Allocation Section
450 N Street, MIC:27
P.O. Box 942879
Sacramento, CA 94279-0027

They may also be contacted by phone at 916-324-3000 or by fax at 916-324-3001.

Submitting Inquiries/Date of Knowledge

The Board adopted Regulation 1807, *Process for Reviewing Local Tax Reallocation Inquiries* in 2002 followed by Regulation 1828, *Process for Reviewing Transactions and Use Tax Distribution Inquiries* in 2004. The Regulations set forth the procedures for submitting, receiving, and processing reallocations from Inquiring (local) Jurisdictions and their Consultants or redistribution investigations from Inquiring Districts and their Consultants, known

collectively as “IJC/IDC”. Many of the procedures adopted by Regulation 1807 apply to Regulation 1828 with some noted differences.

- District taxes are not allocated among jurisdictions around the state, as are local taxes. Rather, the retailer reports the district tax collected on Schedule A attached to the Sales and Use Tax Return, and it is distributed to individual districts. Therefore, the concept of “redistribution” rather than “reallocation” is used for district taxes. Changes to a retailer’s reporting of district taxes are thus keyed to the date the distribution is made.
- District taxes do not contain a statute comparable to Section 7209. As a result, the district tax redistributions are made back from the claim date to the full extent of the 3 year statute of limitations found in section 6487.
- District taxes creates a claim date rather than a date of knowledge.
- A District tax inquiry must contain the shipment location. If district use tax is involved, the claim must also contain evidence that the retailer is engaged in business in the district.

The procedures are summarized below.

Inquiries should be submitted in writing on form BOE-549-L or BOE-549-S (see Exhibits Q and R) to:

Board of Equalization
 Audit Determination and Refund Section (Allocation Group)
 450 N Street, MIC:39
 P.O. Box 942879
 Sacramento, CA 94279-0039

Inquiries may also be submitted by fax at 916-322-8834.

If an inquiry contains sufficient factual data to support the probability that local tax has been erroneously allocated and distributed, OR that district tax has not been distributed or has been erroneously distributed, the inquiry will be accepted for investigation. “Sufficient factual data” includes, at a minimum, the following:

- Taxpayer name, including owner’s name and doing business as designation.
 - Taxpayer’s seller’s permit number or a notation stating “No Permit Number.”
 - Taxpayer’s complete business address.
 - Complete description of taxpayer’s business activity or activities.
 - Specific reasons and evidence showing why the taxpayer’s local tax allocation is questioned. (See Regulation 1807 for more information.)
- OR
- Specific reasons and evidence showing why the district tax distribution or nondistribution is questioned. (See Regulation 1828 for more information.)

- Name, title, and telephone number of the contact person.
- The tax reporting period(s) involved.

Under this method, a “date of knowledge” is established for local taxes. The date of knowledge is the date we receive the inquiry of suspected improper distribution of local tax that contains the facts required (as specified above), unless an earlier such date is operationally documented by the Board. For district taxes, a claim date is created. This is the date we receive the inquiry of suspected improper distribution or non-distribution of district tax that contains the facts (as specified above), unless an earlier such date is operationally documented by the Board.

If the inquiry does not contain sufficient factual data and if the IJC/IDC has made a good faith effort to obtain sufficient facts but has been unable to do so, the IJC/IDC should include a letter with the inquiry setting forth what it has done to obtain those facts. If such a letter is provided, we will use the date the inquiry was received as the claim date or date of knowledge.

Review Process

- 1. Review by Allocation Group Supervisor:** Inquiries accepted for investigation will be assigned to the Allocation Group. If at the conclusion of the investigation the Allocation Group determines that a misallocation or improper distribution has not occurred, the IJC/IDC will be notified that a recommendation to deny the request for reallocation or redistribution has been made. The IJC/IDC will be allowed 30 days from the date of mailing of the notice of denial to contact the Allocation Group Supervisor to discuss the denial. If the IJC/IDC wishes to contest the recommendation, it must state the specific facts on which its disagreement is based and submit all supporting information at that time.
- 2. Review by Audit Determination and Refund Section Supervisor:** If after the IJC/IDC submits additional information, the Allocation Group Supervisor upholds the denial, the IJC/IDC will be notified in writing of the decision. The IJC/IDC is allowed 30 days from the date of mailing of the decision to file a petition for reallocation or redistribution with the Audit Determination and Refund Section Supervisor. The petition must state the specific reasons for disagreement with the Allocation Group Supervisor’s findings. The IJC/IDC petition will be reviewed by the Audit Determination and Refund Section Supervisor who will determine if additional investigation is warranted. If no basis for reallocation or redistribution is identified, the petition will be forwarded to the Local Tax Appeals Auditor.
- 3. Review by Local Tax Appeals Auditor:** A conference will be scheduled between the Local Tax Appeals Auditor and the IJC/IDC, *unless* the IJC/IDC exercises the option to submit a written brief in lieu of the conference. If a conference is held, the Local Tax Appeals Auditor will consider oral arguments as well as review material previously presented by the IJC/IDC and the

Board. The Local Tax Appeals Auditor will prepare a written Decision and Recommendation (D&R) detailing the facts and the pertinent law(s), and the conclusions reached.

4. **Review by Board Management:** If the D&R denies the petition, the IJC/IDC has 30 days from the date of mailing of the D&R to file a written request for review of the D&R by Board Management. The request must state the specific reasons for disagreement with the D&R and include any additional information that supports the IJC/IDC position. Board Management *will consider only the petition and will not meet with the IJC/IDC*. The IJC/IDC will be notified in writing of Board Management's decision. If the IJC/IDC does *not* request a review of the D&R, the decision becomes final at the expiration of the 30-day appeal period.
5. **Review by Board Members:** If Board Management upholds previous findings that no reallocation or redistribution is warranted, the IJC/IDC may file a petition for hearing by the Members of the Board. The petition must state the specific reason for disagreement with Board Management's findings.
 - a) **Petition for Hearing:** The IJC/IDC must file its petition for hearing with the Board Proceedings Division within 90 days of the date of mailing of Board Management's decision. If a petition is not filed within the 90-day period, the Board Management's decision becomes final.
 - b) **The Hearing:** The taxpayer(s) whose allocations or distributions are the subject of the petition and all jurisdictions that would gain or lose 5 percent of their average quarterly allocation or distribution or \$50,000, whichever is less, as a result of the disputed reallocation or redistribution will be notified (as an interested party to the proceedings) of the scheduled hearing. The Board will make a final decision at the hearing, thus exhausting all parties' administrative remedies on the matter.

Appealing Proposed Reallocations

Losing Jurisdictions' Appeal Rights

If the reallocation of local tax or redistribution of district tax will result in a loss of 5 percent of a jurisdiction's quarterly allocation distribution or \$50,000, whichever is less, the losing jurisdiction will be informed of the pending action and allowed 30 days to file an appeal with the Allocation Group supervisor.

The losing jurisdiction may follow the same appeals procedure as described above for denied reallocations.

Mitigation

If the reallocation of local or district tax is 10 percent or more of a jurisdiction's average quarterly tax distribution, the losing jurisdiction may request "mitigation" of the proposed reallocation. Mitigation (the reallocation of local or district tax on an installment basis) is subject to the acceptance of the receiving jurisdiction(s). Generally, the mitigation plan should not exceed eight calendar quarters, and the installment amounts should be approximately 5 percent of the losing jurisdiction's average quarterly tax distribution.

New Local Jurisdictions

Creation of New Cities (Incorporation)

A community wishing to incorporate and become a city will work closely with its county's Local Agency Formation Commission (LAFCO). The LAFCO should notify our Local Revenue Allocation Section (LRAS) of pending plans for incorporation. LRAS staff will provide guidance in areas such as confirming city boundaries, establishing tax area codes, and executing legal documents required for the Board to administer the local sales and use tax. Contact the appropriate staff listed on the last page of this publication.

Adoption of New District Taxes

Section 7285 of the Revenue and Taxation Code provides blanket authority for counties to levy *general purpose* transactions and use taxes within specified limitations. Section 7285.5 authorizes counties to levy transactions and use taxes for *specific purposes*. The Public Utility Code authorizes an authority created under Divisions 10-25 to levy transactions and use taxes for specific purposes. Other special legislation may have been adopted for specific districts.

In 2003, the California Legislature enacted Senate Bill 566 (Stats. 2003, ch. 709) authorizing cities to impose district taxes without having to obtain special legislation first. Specifically, Revenue and Taxation Code section 7285.9 authorizes cities to impose a *general purpose* transactions and use tax at a rate of 0.25 percent or increments thereof with the approval of a majority of the voters voting on the issue. Section 7285.91 authorizes cities to impose a *specific purpose* transactions and use tax at a rate of 0.25 percent or increments thereof with the approval of a two-thirds majority of the voters voting on the issue. Both new sections became effective on January 1, 2004.

We strongly encourage *all* cities, counties, and special authorities to contact us for assistance when considering levying a new district tax. We can supply you with a sample ordinance or review your proposed ordinance. We cannot administer any transactions and use tax ordinance if the rate does not conform to the law or the

ordinance does not contain the provisions required by sections 7261 and 7262.

Failure to have your ordinance approved before submitting it to the voters could result in a delay in implementing your tax.

All new district taxes, whether imposed by cities, counties, or special authorities, must be adopted by the levying entity's legislative body and approved by the voters within its jurisdiction before the tax may become operative. The operative (start) date is the first day of the first calendar quarter more than 110 days after your election. For example, if an election is held on the first Tuesday in November, the start date is April 1st of the following year.

After voters have approved the ordinance, it is important that you notify us immediately that your tax has passed so we may begin to take the necessary steps to implement your tax. We will mail you two contracts to sign and return, along with a letter requesting certified copies of your ordinance. The first contract is for preparatory charges, "Contract to Prepare to Administer District Transactions and Use Tax," while the other is for ongoing administration, "Contract for State Administration of District Transactions and Use Tax." (See "Administrative Charges and Costs" in this publication.) The administration agreement must be executed by us and the district and then approved by Department of General Services before the tax can go into effect.

Failure to notify us of your new district tax will result in a delay of the start date of the tax. This could result in a loss of revenue or postpone the distribution of funds from the district tax to the city, county, or special authority.

To get a sample ordinance or if you would like additional information on imposing new transactions and use taxes, please contact the appropriate staff listed on the last page of this publication. See our website, under Sales and Use Tax, Local Taxes, for answers to frequently asked questions.

Annexation Procedures

Boundary Changes

In each county, the Local Agency Formation Commission (LAFCO) has the responsibility to file a statement whenever there is a change in boundaries of a city or special district. The statement shall be on a form prescribed by the Board and should include (1) a certified copy of the ordinance or resolution ordering the change in boundary and (2) a legal description and a map or plat, both describing the boundary changes. The last day for cities or special tax districts to file specified statements informing us and the various assessors' officers of boundary changes is December 1.

Local jurisdictions are required by statute to reimburse us for the cost of maintaining current boundaries on the tax-rate area maps. For complete instructions and fee schedules related to boundary changes, please see our website at www.boe.ca.gov. Under Tax Topics, click on Property Tax. On the Property and Special Taxes Department page, click on Special Revenue Districts. Questions concerning these requirements should be directed to the Tax Area Services Section at 916-322-7185 or by fax at 916-327-4251.

Organization or Reorganization of City Boundaries

For changes of organization or reorganization, which include the incorporation of, annexation to, or detachment from a city, the statement shall also include the estimated population of the affected territory, and include a map showing limited addresses on streets within the affected territory. We require a complete alphabetical list of all streets within the affected area with beginning and ending street numbers. This information is essential to identify businesses that must be changed in our records. Since businesses may be operated from homes in residential areas, it is important that all residential as well as commercial streets be included on the list.

Annexation of Undeveloped Areas

If the annexed area is undeveloped, the foregoing information about street names and numbers should be furnished to our Local Revenue Allocation Section as soon as it becomes available. Also, information should be provided about any new streets or extensions opened in other parts of the city, any changes in city street names, any renumbering of streets that bring numbers within the city that were formerly outside or vice versa, and/or any changes in postal addresses from route and box numbers to city street numbers. Receipt of this information will help ensure that your city receives credit for local sales and use taxes collected from all sellers whose places of business are within the city limits.

Exhibits

Page

A.	Notice of Sales Tax Jobsite Sub-Permits for Construction Contractors	36
B.	Application for Use Tax Direct Payment Permit.....	37
C.	Example of Statewide and Countywide Pool Distributions	39
D.	Quarterly Advance Worksheet	40
E.	Identification and Location of Data on Registration File Cards.....	41
F.	Registration/Allocation Media Request Form	42
G.	Sample Resolution (Counties).....	43
H.	Sample Resolution (Cities).....	45
I.	Sample Resolution (Districts)	47
J.	Registration Record Layout (CD-ROM)	49
K.	Allocation Detail Record Layout (CD-ROM)	50
L.	Registration Transaction Codes	51
M.	Fund Transfer Reason Codes.....	52
N.	Reporting Period Codes.....	54
O.	Sales and Use Tax Program Codes.....	55
P.	Board of Equalization Business Codes	56
Q.	BOE-549L Claimed Incorrect Distribution of Local Tax—Long Form	57
R.	BOE-549S Claimed Incorrect Distribution of Local Tax—Short Form.....	59

Sales Tax Jobsite Sub-Permits for Construction Contractors

Some construction contractors are liable for sales or use tax on materials and fixtures consumed or sold on construction contracts. A portion of that tax, the local tax, is distributed to the county government, and city governments within the county, of the jobsite location. The allocation of the local tax is performed by listing the amount of local tax due to each county on Schedule B of the sales and use tax return.

Effective January 1, 1995, construction contractors may elect to allocate the local sales and use tax derived from construction contracts of \$5,000,000 (five million dollars) or more directly to the local jurisdiction where the jobsite is located. This is accomplished by obtaining a sub-permit of their seller's permit for a specific jobsite and allocating the local tax to that jobsite on Schedule C of their sales and use tax return. This qualifying contract price applies to each contract or sub-contract for work performed at the jobsite. Contractors who are already fulfilling a construction contract on January 1, 1995, must have work remaining with a value of \$5,000,000 or more. The sub-permit will be automatically closed-out six months after the estimated completion date of the contract. If delays extend the completion date, contractors should contact us to extend the active period of the sub-permit.

Permits will not be issued to contractors who are not normally sellers of materials. Contractors may not purchase tangible personal property for resale, including materials, which they will install or consume at the jobsite.

Contractors may not purchase machinery and equipment, to be used on the construction job, without payment of sales tax in order to allocate the use tax to the specific jobsite.

Local tax on sales of machinery and equipment by the contractor as part of the contract should continue to be allocated to the contractor's permanent place of business where the principal negotiations of the contract take place in accordance with Regulation 1802.

In accordance with Regulation 1806, where the contractor has not elected to obtain a sub-permit, local tax must still be allocated countywide using Schedule B for jobsites that have contracts of \$5,000,000 or more along with smaller contracts of less than \$5,000,000.

If you have any questions regarding a sub-permit for construction jobsites, please contact our nearest office. Visit our website, www.boe.ca.gov, for contact information.

BOE-400-DP (FRONT) REV 2. (8-05)

STATE OF CALIFORNIA
BOARD OF EQUALIZATION**APPLICATION FOR
USE TAX DIRECT PAYMENT PERMIT***Please type or print clearly. Read instructions on reverse before completing this form.***SECTION I – BUSINESS INFORMATION**

NAME OF BUSINESS OR GOVERNMENTAL ENTITY	SALES/USE TAX PERMIT NUMBER
BUSINESS ADDRESS (street)	CONSUMER USE TAX ACCOUNT NUMBER
CITY, STATE, & ZIP CODE	If applicant is applying for either a sales/use tax permit or a consumer use tax account in addition to a use tax direct payment permit check here <input type="checkbox"/>
MAILING ADDRESS (street address or po box if different from business address)	
CITY, STATE, & ZIP CODE	NAME UNDER WHICH BUSINESS IS TO BE TRANSACTED IF DIFFERENT THAN ABOVE

SECTION II – MULTIPLE BUSINESS LOCATIONS

LIST BELOW THE BUSINESS AND MAILING ADDRESSES OF ALL LOCATIONS WHERE PROPERTY PURCHASED UNDER A USE TAX DIRECT PAYMENT CERTIFICATE WILL BE USED. IF ADDITIONAL SPACE IS NEEDED, ATTACH A SEPARATE SHEET

1. BUSINESS ADDRESS	4. BUSINESS ADDRESS
MAILING ADDRESS	MAILING ADDRESS
2. BUSINESS ADDRESS	5. BUSINESS ADDRESS
MAILING ADDRESS	MAILING ADDRESS
3. BUSINESS ADDRESS	6. BUSINESS ADDRESS
MAILING ADDRESS	MAILING ADDRESS

SECTION III – CERTIFICATION STATEMENTI hereby certify that I qualify for a *Use Tax Direct Payment Permit* for the following reason: *(Please check one of the following)*

☐ I have purchased or leased for my **own use** tangible personal property **subject to use tax** at a cost of five hundred thousand dollars (\$500,000) or more in the aggregate, during the calendar year immediately preceding this application for the permit. I have attached a "Statement of Cash Flows" or other comparable financial statements acceptable to the Board for the calendar year immediately preceding the date of application and a separate statement attesting that the qualifying purchases were purchases that were subject to use tax.

☐ I am a county, city, city and county, or redevelopment agency.

I also agree to self-assess and pay directly to the Board of Equalization any use tax liability incurred pursuant to my use of a *Use Tax Direct Payment Permit*.

The above statements are hereby certified to be correct to the knowledge and belief of the undersigned, who is duly authorized to sign this application.

SIGNATURE	TITLE
NAME (typed or printed)	DATE

(See reverse side for general information and filing instructions)

BOE-400-DP (BACK) REV. 2 (8-05)

USE TAX DIRECT PAYMENT PERMIT (General Information and Filing Instructions)

Revenue and Taxation Code section 7051.3 authorizes the State Board of Equalization to issue a *Use Tax Direct Payment Permit* to qualified applicants. This permit allows purchasers and lessees of tangible personal property (other than lessees of motor vehicles the lease of which is subject to the terms of section 7205.1 of the Sales and Use Tax Law) to self-assess and pay use taxes directly to the Board instead of to the vendor or lessor from whom the property is purchased or leased.

Permit holders will be provided with a *Use Tax Direct Payment Exemption Certificate* which they can issue to retailers and lessors when they purchase tangible personal property subject to **use tax** or make qualified leases of tangible personal property. Vendors who timely take the certificate in good faith from a permit holder are relieved of the duty to collect use taxes on the sales for which the certificate was issued. Permit holders who acquire property under a certificate must self-assess and report the use taxes directly to the Board on their tax returns, and allocate the local taxes to the county, city, city and county, or redevelopment agency in which the property is first used. Permit holders who fail to properly pay any use taxes that are due on property for which a certificate was given are subject to interest and penalties assessments in addition to their tax liability.

To qualify for a *Use Tax Direct Payment Permit*, an applicant must meet the following conditions:

- (1) The applicant must agree to self-assess and pay directly to the Board any use tax which is due on property for which a use tax direct payment exemption certificate was given; and
- (2) The applicant must certify to the Board either of the following:
 - (A) The applicant has purchased or leased **for its own use** tangible personal property **subject to use tax** which cost five hundred thousand dollars (\$500,000) or more in the aggregate, during the calendar year immediately preceding the application for the permit; or
 - (B) The applicant is a county, city, city and county, or redevelopment agency.

Persons wishing to obtain a use tax direct payment permit must be pre-qualified and either hold a California seller's permit or a consumer use tax account.

Persons other than governmental entities who currently hold either a California seller's permit or a consumer use tax account must complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under conditions of Part (2)(A) above, **and submit a "Statement of Cash Flows" or other comparable financial statements acceptable to the board for the calendar year immediately preceding the date of application which discloses total purchases of property and equipment for own use and a separate statement under company letterhead certifying that five hundred thousand dollars (\$500,000) or more of such purchases were subject to use tax.**

Persons other than governmental entities who are not required to hold a seller's permit and who do not currently hold a consumer use tax account must obtain a consumer use tax account and then complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under the conditions of Part (2)(A) above **and submit a "Statement of Cash Flows" or other comparable financial statements acceptable to the board for the calendar year immediately preceding the date of application which discloses total purchases of property and equipment for own use and a separate statement under company letterhead certifying that five hundred thousand dollars (\$500,000) or more of such purchases were subject to use tax.**

Governmental entities who currently hold either a California seller's permit or a consumer use tax account must complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under the conditions of Part (2)(B) above, and submit an additional statement to that effect under official letterhead and signed by an authorized governmental representative.

Governmental entities who do not hold a California seller's permit or a consumer use tax account must obtain a consumer use tax account and then complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under the conditions of Part (2)(B) above, and submit an additional statement to that effect under official letterhead and signed by an authorized governmental representative.

The completed *Application for Use Tax Direct Payment Permit*, certification statement, and qualifying documentation should be returned to the address shown below. Upon determination that the applicant qualifies, a *Use Tax Direct Payment Permit* and a *Use Tax Direct Payment Exemption Certificate* will be mailed to the applicant.

If you would like additional information regarding the *Use Tax Direct Payment Permit* or need assistance in completing this application, you can call 916-445-5167, or write to the Board of Equalization, Compliance Policy Unit, P.O. Box 942879, Sacramento, CA 94279-0040.

STATE BOARD OF EQUALIZATION
FUND DISTRIBUTION SUBSYSTEM
QUARTERLY ALLOCATION SUMMARY OF BRADLEY BURNS LOCAL
ALLOCATION PERIOD: 08/13/20XX - 11/12/20XX*

FUWRP1M1 06/05/2004
FUWRP1P1 TAXPAGE1

	MONTHLY LOCAL/ POOL %	ADJUSTED GROSS	COUNTY % SHARE AMT	JURIS % SHARE AMT	STATE TAX	LOCAL TAX
14071 - BISHOP						
MONTH 1	37,003.52					
MONTH 2	9,867.18					
MONTH 3	329,567.27					
SUB TOTAL		376,437.97				
COUNTY POOL	62.6167002%	55,781.59				
STATE POOL	0.0370512%	636.78	0.00000%	100.00000%		
SUB TOTAL		432,856.34	0.00	432,856.34	108,214.09-	324,642.25
PRIOR ADV						315,000.00-
ADMIN COST						3,568.40-
TOTAL						6,073.85
14998 - UNINC AREA INYO COUNTY						
MONTH 1	26,311.43					
MONTH 2	7,196.07					
MONTH 3	191,232.76					
SUB TOTAL		224,740.26				
COUNTY POOL	37.3832998%	33,302.63				
STATE POOL	0.0221202%	380.16				
SUB TOTAL		258,423.05	0.00	258,423.05	64,605.76-	193,817.29
PRIOR ADV						155,850.00-
ADMIN COST						2,130.40-
TOTAL						35,836.89
INYO COUNTY TOTALS						
MONTH 1	63,314.95					
MONTH 2	17,063.25					
MONTH 3	520,800.03					
SUB TOTAL		601,178.23				
COUNTY POOL		89,084.22				
STATE POOL		1,016.94				
SUB TOTAL		691,279.39	0.00	691,279.39	172,819.85-	518,459.54
PRIOR ADV						470,850.00-
ADMIN COST						5,698.80-
TOTAL						41,910.74

* Figures shown are for illustration purposes only. They do not reflect actual results.

QUARTERLY ADVANCE WORKSHEET
FOR QUARTER ____ / ____

JURISDICTION: _____ JURIS # _____

1. PRIOR YEAR'S LIKE QUARTER'S ALLOCATION	_____	
2. REVERSE FUND TRANSFERS (+/-)	_____	
3. ELIMINATE A/R & REFUNDS	_____	
4. SUB TOTAL (LINE 2 + 3)	_____	
5. NORMALIZED ALLOCATION W/O GROWTH (LINE 1 + 4)	_____	
6. GROWTH FACTOR (ESTIMATED QUARTERLY)	_____	%
7. NORMALIZED ALLOCATION WITH GROWTH (LINE 5 + 6)	_____	
8. ADJUST FOR STATE TAX PER SECTION 7203.1 (LINE 7 X 25%)	_____	
9. ESTIMATED ADVANCE BASE FOR QUARTER [(LINE 7-8) X 90%]	_____	_____
10. ADVANCE MONTH #1 (LINE 9 X 30%)	_____	
OTHER ADJUSTMENTS (+ / -)	_____	
ADJUSTED ADVANCE MONTH #1	_____	_____
11. ADVANCE MONTH #2 (LINE 9 X 30%)	_____	
OTHER ADJUSTMENTS (+ / -)	_____	
ADJUSTED ADVANCE MONTH #2	_____	_____
12. ADVANCE MONTH #3 (LINE 9 X 40%)	_____	
OTHER ADJUSTMENTS (+ / -)	_____	
ADJUSTED ADVANCE MONTH #3	_____	_____

Notes identified with items above:

1. When a prior like quarter allocation is not available, information for new jurisdictions is obtained through study data prepared by the Board's Research and Statistics Section. This information is used to base the first quarter's advances (months 1 - 3), however it is subject to modification should additional data indicate a change is warranted.
2. Fund Transfer information is located in jurisdictions' allocation data and is identified by an "FT" indicator.
3. Historical accounts receivable and refund information is located in jurisdictions' allocation data; however, pending refunds may be identified only as they arise and LRAS is notified by the Board's Audit Determination & Refund Section.
6. This is determined each quarter by the Board's Research and Statistics Section in conjunction with the Department of Finance. This information is often forecast for a year at a time, but as economic conditions are unpredictable, it is subject to change from quarter to quarter, and in some cases from month to month. You may contact the Local Revenue Allocation Section for quarterly growth factor information.
- 10-12. These adjustments (+/-) can result from onetime fund transfers processed in favor of, or against a jurisdiction. *Any fund transfer that will impact a jurisdiction with a loss of revenue of the lessor of \$50,000 or 5% of its average quarterly allocation will trigger a notification to the jurisdiction's representative.* Generally, reduction adjustments to the advance payment amounts are made in month #3, since that payment is greater than those in months #1 and 2, and an offset can be better absorbed.

REGISTRATION FILE CARDS
IDENTIFICATION AND LOCATION OF DATA

XXXXX

County & City

XXX

Add-On

XXXX

In-Lieu

(1)

Tax Area Code

<1>

TAX - AREA CODE

2

T/P

3

OFFICE

<4>

ACCOUNT NO.

6

SUB NO.

7

MSTR. OFC.

(5)

Complete Account Number

(2)

Tax Program

(3)

Office

(4)

Account Number

(6)

Consolidated Account Sub Number

(7)

Consolidated Account Master Office

(25)

Location of Business
(If different than Mailing Address)

(24)

Firm Name

(23)

Owner

(22)

Mailing Address

(21)

Date Transaction Processed

(18)

Effective Date of Transaction

(17)

Account Analysis Code

(16)

Reason for Transaction

(8)

Special Tax Return Processing Code

(9)

Reporting Basis Code

(10)

Return Mailing Exception Code

(11)

Ownership Code

(12)

Permanent Extension Code

(13)

Starting Date

(14)

Business Code

(15)

File Identification

<1>	2	3	<4>	6	7
TAX - AREA CODE	T/P	OFFICE	ACCOUNT NO.	SUB NO.	MSTR. OFC.
BUSINESS ADDRESS IF DIFFERENT THAN MAILING ADDRESS			SPC BASIS		
<25>			10		
FIRM NAME			EXCEPT		
OWNER			11 12		
MAILING ADDRESS			O.C. EXT		
CITY			START DATE		
STATE			BUS. CODE		
EFFECTIVE DATE			TRANSACTION		
A.A.C.			IDENTIFICATION		

BT-1049 REV. 2 (7-84)
REGISTRATION CONTROL RECORD

REGISTRATION/ALLOCATION MEDIA REQUEST

Please complete Sections I, II, & III, and forward this form to the address at the bottom of this page.

Board Use Only

Juris. I.D. # _____
 Resolution verified: YES ___ NO ___
 Update _____
 By _____

IMPORTANT Each jurisdiction must have a resolution on file with the Board of Equalization to examine allocation and/or registration data. A sample resolution is available by calling the Board's Local Revenue Allocation Unit at (916) 324-3000.

SECTION I: DATA MAILING ADDRESS

(If the name/position below is not authorized by resolution or letter of designation, this form must be signed by a position authorized by resolution to designate other officials or employees)

☐ County ☐ City ☐ District (add-on)

Your name: _____ Jurisdiction: _____
 Title: _____ Tax Area Code: _____
 Address: _____ Telephone: _____
 City, State, Zip: _____ FAX: _____

SECTION II: REGISTRATION DATA REQUEST (List of name, address and BOE account number for each business)

A. Please indicate your choice of media for monthly Registration Updates (changes to sales/use tax accounts in your jurisdiction).

☐ CD-ROM ☐ None requested

B. If you require a one-time registration listing (Start-up) showing all sales and use tax accounts in your jurisdiction, indicate yes or no: ☐ Yes ☐ No

Note: The monthly Registration Updates are only available for Cities & Counties, not Districts. The Start-up is available for all.

SECTION III: ALLOCATION DATA REQUEST (List of local tax dollars distributed to your jurisdiction by BOE account number)

A. Please indicate your choice of media for monthly Allocation data: ☐ Paper ☐ CD-ROM ☐ None requested

B. If you require prior period local tax data*, indicate the periods and your choice of media below:

(MMYY) From: _____ To: _____ ☐ Paper ☐ CD-ROM

***AVAILABLE HISTORY IS LIMITED TO PREVIOUS 36 MONTHS.**

Signed by individual (or designee) authorized by resolution to receive confidential Board of Equalization information:

 (Print Name) (Signature) (Title) (Date)

RETURN THIS FORM TO:

STATE BOARD OF EQUALIZATION
 LOCAL REVENUE ALLOCATION UNIT
 450 N STREET MIC 27
 PO BOX 942879
 SACRAMENTO CA 94279-0027
OR
 FAX to (916) 324-3001

For assistance in completing this form, contact Karin Olson at (916) 324-1321.

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF _____ AUTHORIZING EXAMINATION OF SALES AND USE TAX RECORDS

WHEREAS, pursuant to Ordinance _____, the County of _____ entered into a contract with the State Board of Equalization to perform all functions incident to the administration and collection of local sales and use taxes; and

WHEREAS, the Board of Supervisors of the County of _____ deems it desirable and necessary for authorized representatives of the County to examine confidential sales and use tax records of the State Board of Equalization pertaining to sales and use taxes collected by the Board for the County pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Board of Equalization records, and establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales and use tax records of the Board:

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF _____ HEREBY RESOLVES AS FOLLOWS:

Section 1. That the _____, or other officer or employee of the County designated in writing by the _____ to the State Board of Equalization (hereafter referred to as Board), is hereby appointed to represent the County of _____ with authority to examine sales and use tax records of the Board pertaining to sales and use taxes collected for the County by the Board pursuant to the contract between the County and the Board. The information obtained by examination of Board records shall be used only for purposes related to the collection of County sales and use Taxes by the Board pursuant to that contract.

***Section 2.** That the _____, or other officer or employee of the County designated in writing by the _____ to the Board, is hereby appointed to represent the County with authority to examine those sales and use tax records of the Board, for purposes related to the following governmental functions of the County:

- a) _____
- b) _____
- c) _____

The information obtained by examination of Board records shall be used only for those governmental functions of the County listed above.

***Section 3.** That _____ is hereby designated to examine the sales and use tax records of the Board pertaining to sales and use taxes collected for the County by the Board. The person or entity designated by this section meets all of the following conditions:

(firm name or consultant)

- a) has an existing contract with the County to examine those sales and use tax records;
- b) is required by that contract to disclose information contained in, or derived from, those sales and use tax records only to the officer or employee authorized under Section 1 (*or section 2) of this resolution to examine the information.
- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract; and
- d) is prohibited by that contract from retaining the information contained in, or derived from those sales and use tax records, after that contract has expired.

The information obtained by examination of Board records shall be used only for purposes related to the collection of County sales and use taxes by the Board pursuant to the contract between the County and the Board (* and for purposes relating to the governmental functions of the County listed in section 2 of this resolution).

***Section 4.** That this resolution supersedes all prior resolutions of the Board of Supervisors of the County of _____ adopted pursuant to subdivision (b) of Revenue and Taxation Code section 7056.

*** Include in resolution only if applicable.**

Introduced, approved and adopted this _____ day of _____, 20____.

ATTEST: (S) _____

County Clerk

I, _____, County Clerk of the County of _____, California, DO HEREBY CERTIFY that the foregoing resolution was duly introduced, approved and adopted by the Board of Supervisors of the County of _____, at a regular meeting of said Council held on the _____ day of _____, 20____ by the following roll-call vote:

AYES: (Names of Supervisors)

NOES: (Names of Supervisors)

ABSENT: (Names of Supervisors)

(S) _____

County Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF _____

AUTHORIZING EXAMINATION OF SALES AND USE TAX RECORDS

WHEREAS, pursuant to ordinance No. _____, the City of _____ entered into a contract with the State Board of Equalization to perform all functions incident to the administration and collection of local sales and use taxes; and

WHEREAS, the City Council of the City of _____ deems it desirable and necessary for authorized representatives of the City to examine confidential sales and use tax records of the State Board of Equalization pertaining to sales and use taxes collected by the Board for the City pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Board records, and establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales and use tax records of the Board;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF _____
HEREBY RESOLVES AS FOLLOWS:

Section 1. That the _____, or other officer or employee of the City designated
(all authorized position titles)
in writing by the _____ to the State Board of Equalization (hereafter referred
(position title allowed to designate)
to as Board), is hereby appointed to represent the City with authority to examine sales and use tax records of the Board pertaining to sales and use taxes collected for the City by the Board pursuant to the contract between the City and the Board. The information obtained by examination of Board records shall be used only for purposes related to the collection of City sales and use taxes by the Board pursuant to that contract.

***Section 2.** That the _____ or other officer or employee of the City designated
(all authorized position titles)
in writing by the _____ to the Board, is hereby appointed to represent the City
(position title allowed to designate)
with authority to examine those sales and use tax records of the Board, for purposes related to the following governmental functions of the City:

- (a) _____
(specific governmental functions)
- (b) _____
- (c) _____

The information obtained by examination of Board records shall be used only for those governmental functions of the City listed above.

***Section 3.** That _____ is hereby designated to examine the sales and use tax records of the Board pertaining to sales and use taxes collected for the City by the Board. The person or entity designated by this section meets all of the following conditions:

(firm name or consultant)

- a) has an existing contract with the City to examine those sales and use tax records;
- b) is required by that contract to disclose information contained in, or derived from, those sales and use tax records only to the officer or employee authorized under Section 1 (*or section 2) of this resolution to examine the information.
- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract; and
- d) is prohibited by that contract from retaining the information contained in, or derived from those sales and use tax records, after that contract has expired.

The information obtained by examination of Board records shall be used only for purposes related to the collection of City sales and use taxes by the Board pursuant to the contract between the City and the Board (* and for purposes relating to the governmental functions of the City listed in section 2 of this resolution).

***Section 4.** That this resolution supersedes all prior resolutions of the City Council of the City of _____ adopted pursuant to subdivision (b) of Revenue and Taxation Code Section 7056.

* Include in resolution only if applicable.

Introduced, approved and adopted this _____ day of _____ 20_____.

ATTEST: (s) _____ (s) _____
City Clerk Mayor

I, _____, City Clerk of the City of _____, California, DO HEREBY CERTIFY that the foregoing resolution was duly introduced, approved and adopted by the City Council of the City of _____, at a regular meeting of said Council held on the _____ day of _____, 20_____, by the following roll call vote:

Ayes: (Names of Councilmembers)

Noes: (Names of Councilmembers)

Absent: (Names of Councilmembers)

(s) _____
City Clerk

RESOLUTION NO. _____

A Resolution Authorizing the Examination of Transactions (Sales) and Use Tax Records

WHEREAS, pursuant to Ordinance No. _____ of _____^(district) hereinafter called District and Section 7270 of the Revenue and Taxation Code, the District entered into a contract with the State Board of Equalization to perform all functions incident to the administration and operation of the Transactions and Use Tax Ordinance; and

WHEREAS, the District deems it desirable and necessary for authorized representatives of the District to examine confidential transactions and use tax records of the State Board of Equalization pertaining to transactions and use taxes collected by the Board for the District pursuant to that contract; and

WHEREAS, Section 7056 of the Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Board of Equalization records and establishes criminal penalties for the unlawful disclosure of information contained in or derived from, the transactions and use tax records of the Board;

NOW, THEREFORE IT IS RESOLVED AND ORDERED AS FOLLOWS:

Section 1. That the _____^(all authorized positions) or other officer or employee of the District designated in writing by the _____^(position title allowed to designate) to the State Board of Equalization (hereafter referred to as Board) is hereby appointed to represent the District with authority to examine transactions and use tax records of the Board pertaining to transactions and use taxes collected for the District by the Board pursuant to the contract between the District and the Board. The information obtained by examination of Board records shall be used only for purposes related to the collection of the District's transactions and use taxes by the Board pursuant to the contract.

***Section 2.** That the _____^(all authorized positions) or other officer or employee of the District designated in writing by the _____^(position title allowed to designate) to the Board of Equalization is hereby appointed to represent the District with authority to examine those transactions and use tax records of the Board for purposes related to the following governmental functions of the District:

- a) _____^(specific governmental functions)
- b) _____
- c) _____

The information obtained by examination of Board records shall be used only for those governmental functions of the District listed above.

***Section 3.** That _____ is hereby designated to examine the transactions and use tax records of the Board of Equalization pertaining to transactions and use taxes collected for the District by the Board. The person or entity designated by this section meets all of the following conditions:

(firm name or consultant)

- a) has an existing contract with the District to examine those transactions and use tax records;
- b) is required by that contract to disclose information contained in, or derived from those transactions and use tax records only to the officer or employee authorized under Section 1 (or Section 2) of this resolution to examine the information;
- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) is prohibited by that contract from retaining the information contained in, or derived from those transactions and use tax records after that contract has expired.

BE IT FURTHER RESOLVED that the information obtained by examination of Board records shall be used only for purposes related to the collection of District's transactions and use taxes by the Board pursuant to the contracts between the District and Board.

***Section 4.** That this resolution supersedes all prior resolutions of the _____ adopted pursuant to subdivision (b) of Revenue and Taxation Section 7056.

(district)

* Include in resolution only if applicable.

Introduced, approved and adopted this _____ day of _____, 20 _____.

(name & title)

(attest)

(signature)

(date)

RECORD LAYOUT

Registration Detail Record Descriptions

Record Length: 380 Characters

Field Name	Position	Length	Type	Description/Special Values
<u>Tax Area Code</u>				
County Code	1 - 2	2	A	Value 01 - 58
City Code	3 - 5	3	A	Value 001 - 999
Add-On Code	6 - 8	3	A	Value 001 - 999
In-Lieu Code	9 - 12	4	A	Value 0001 - 9999
TAT Code	13 - 15	3	A	Taxable Activity Type
TAT Indicator	16 - 16	1	A	Taxable Activity Type Code
District Branch Code	17 - 19	3	A	District Office (2) and Branch Code (1)
Account Number	20 - 28	9	A	
Sub Account Number	29 - 33	5	A	00001 to 99999 if there is more than one location of business (otherwise blank).
District of Location	34 - 36	3	A	District Office or Branch Office of sub account if different from master.
Firm Name	37 - 86	50	A	
Owner Name	87 - 136	50	A	
<u>Mailing Address</u>				
Filler	137-149	13	A	Reserved (Future Use for Parsed Address)
Mail Street	150-189	40	A	
Mail City	190-219	30	A	
Mail State	220-221	2	A	
Mail Zip Code	222-230	9	A	
<u>Business Address</u>				
Filler	231-243	13	A	Reserved (Future Use for Parsed Address)
Location Street	244-283	40	A	
Location City	284-313	30	A	
Location State	314-315	2	A	
Location Zip Code	316-324	9	A	
Ownership Code	325- 325	1	A	B - Unincorporated Business Org., C - Corporation, D - Limited Liability Co., E - Estate, F - Federal Govt, G - Other Govt, K - Limited Liability Partnership, L - Limited Partnership, M - Husband & Wife Co-Ownership, O - Org or Assoc., P - Partnership/Co-ownership, R - Receivership/Fiduciary, S - Sole Proprietor, T - Trust, V -Joint Venture,
Basis	326-327	2	A	Q =Quarterly, M =Monthly, Y =Yearly QP =Prepay Quarterly, F =Fiscal Yearly
Start Date	328 - 335	8	A	CCYYMMDD format
Business Code	336 - 339	4	A	BOE Industry Code
NAICS	340 - 347	8	A	Reserved - (Future Use for Proposed Federal Codes)
Process Date	348 - 355	8	A	CCYYMMDD format (Not on Start-up File.)
Effective Date	356 - 363	8	A	CCYYMMDD format (Not on Start-up File unless account is closed.)
Transaction Type	364- 365	2	A	AA - Account Add, AM - Acct Maintenance, AR - Account Reinstated, CO - Close Out, CM - Close Out Maint, LC - Business (Location) Addr Change, OL - Old Business Addr, MC - Mail Addr Change, TC - Tax Area Change, OT - Old Tax Area (Not on Start-up File.)
Part-Time or Temp Account	366 - 366	1	A	P = Part-time Account; T = Temporary Account
Filler	367 - 380	14	A	BOE Internal Use

RegLay.doc (Board of Equalization/LRAS)
Rev. 01/09/02

RECORD LAYOUT

Allocation Detail Record Descriptions

Record Length: 175 Characters

Field Name	Position	Length	Type	Description/Special Values
Filler	1	1	A	BOE Internal Use (used to determine record type)
Transaction Type	2 – 3	2	A	AC = Audit Credit/Refund AD = Audit Dishonored Check AL = Audit; Bad Debt Lender/Retailer Lender AO = Audit Offsets AU = Audit DC = Return Dishonored Check FL = Fund Transfer Bad Debt FO = Fund Transfer Offset FS = Fund Transfer - (adjustment) FT = Fund Transfer MV = Tax collected by DMV(Formerly GT) NR = No Remittance PM = Prior Money (Prior Periods) RA = Reverse Allocation RL = Return; Bad Debt Lender/Retailer Lender RO = Offsets RP = Regular Return (Current Period) ZR = Zero Return
Allocation Period Beginning Date	4 – 11	8	A	CCYYMMDD format
Allocation Period Ending Date	12 – 19	8	A	CCYYMMDD format
<u>Tax Area Code</u>				
• County Code	20 – 21	2	A	Values 01 - 58
• City Code	22 – 24	3	A	Values 001 - 999
• Add-On Code	25 – 27	3	A	Values 001 - 999
• In-Lieu Code	28 – 31	4	A	Values 0001 - 9999
Account Number	32 – 40	9	A	
Business Code	41 – 44	4	A	BOE Industry Code
Return Begin Date	45 – 50	6	A	CCYYMM format
Audit Begin Date	51 – 56	6	A	CCYYMM format
Audit/Return End Date	57 – 62	6	A	CCYYMM format (If transaction is a return, this field will have the return end date. If transaction is an audit, this field will have the audit end date.).
Filler	63 - 64	2	A	BOE Internal Use (tax program used to group taxable activity types)
TAT Indicator	65 – 65	1	A	Taxable Activity Type Indicator Code
TAT Code	66 - 68	3	A	Taxable Activity Type
District Code	69 - 70	2	A	Office District
Branch Code	71 - 71	1	A	Office Branch
Date Received	72 - 79	8	A	CCYYMMDD format
Basis	80 - 81	2	A	Q=Quarterly, M=Monthly, Y=Yearly QP=Prepay Quarterly, F=Fiscal Yearly
Fund Transfer Reason Code	82 - 84	3	A	See separate listing for codes.
Filler	85 - 92	8	A	BOE Internal Use
County Amount	93 - 107	15	N	Includes Decimal
City Amount	108 - 122	15	N	Includes Decimal
Add-On Amount	123 - 137	15	N	Includes Decimal
In-Lieu Amount	138 - 152	15	N	Includes Decimal
Gross Sales	153 – 165	13	N	Used for single outlets only. Whole dollars.
Filler	166 - 175	10	A	BOE Internal Use

AlloLay.doc (Board of Equalization/LRAS)
Rev. 10/01/02

REGISTRATION TRANSACTION CODES

Two-character code used on magnetic media such as diskettes, and CDs. Short description used on buff-colored 3X5 cards.

TransCode	Additional Fields	Description	3X5 Card Message
AA		New account or sub-outlet	ACCOUNT ADD
AA	TEMP-ACCOUNT = Y	Issue a temporary permit for ST accounts	ACCOUNT ADD
AA	CLOSEOUT-CODE = 7	Issue and cancel a temporary permit for non-ST accounts	ACCOUNT ADD
CO			CLOSE OUT
AM	Any change to an account (master or sub-outlet) not covered by other codes.	Change of master district or inter-district move or correction of erroneously established information	ACCOUNT MAINT
AM		Transfer to another district through a boundary change	ACCOUNT MAINT
AM		Change in name, business code, or change of start date or account key date on master or sub-outlet	ACCOUNT MAINT
AM		Change in reporting basis on master or sub-outlet	ACCOUNT MAINT
AM		Mass change of reporting basis due to the result of annual prepay analysis	ACCOUNT MAINT
AM		Mass change of a business code	ACCOUNT MAINT
AR		Reinstate an active account after a closeout in error on master or sub-outlet	ACCOUNT REINSTATED
CO		Close-out of master or sub-outlet	CLOSE OUT
CM		Change in close-out date on master or sub-outlet	CLOSE OUT MAINTENANCE
LC		Change of business (location) address on master or sub-outlet	BUS ADDR CHANGE
MC		Change in mailing address	MAIL ADDR CHANGE
OT		Old tax area code prior to tax area code change	OLD TAX AREA CHANGE
OL		Old address prior to address change	OLD BUS ADDRESS
TC		Area code change, annexation or incorporation on master or sub-outlet	TAX AREA CHANGE
TC		Change in tax area code	TAX AREA CHANGE
TC		Mass change of area code other than annexation	TAX AREA CHANGE

FUND TRANSFER REASON CODES

CODE	DESCRIPTION	CODE	DESCRIPTION
AAB	Accept SG Schedule A/B	CIQ	Consultant Inquiry
AAS	Accept Additional Schedules	CLA	Collection Activity
ABC	Adjust Schedule B/C/E/F	CLC	Collection – County Recorder Fee
ACA	Load Return/Compliance Assessment Adjustment	CLK	Collection – Keeper
ADE	Return Filed After CAS Decrease	CLL	Collection – Liquor License
ADP	Accept Duplicate as Primary	CLR	Collection – Renewal Fees
AFB	Adjusted Field Billing Order	CLS	Collection – Seizure Cost
AFO	Activate Financial Obligation	CLT	Collection – Title Search
AFR	Adjustment Per File Review	CLW	Collection – Sheriff Warrant
AGT	Consumer Use Tax Agent	CMA	Load Return After Compliance Assessment
AIN	Return Filed After CAS Increase	CNV	Correct Converted Data
ALC	Adjust Number of Locations	CON	Consultant Inquiry
AMA	Amended Schedule A	CRC	Cancel Revocation
AMB	Amended Schedule B/C/E/F	CRD	Change RSI Dates
AMD	Amended Deductions	CSG	Correct Keyed Error SG Return
AMG	Amended Schedule G	CTP	Correct Taxpayer Return
AMH	Amended SG Schedule A/B	CU1	Per Docs Received From TP Reply
AMP	Accept Amended as Primary	CU2	Per Docs Received From Seller
AMR	Amended Return	CU3	Per Docs Received From FAA
AMV	Amended Voucher Credit	CU4	Per Docs Received From US Coast Guard
ANX	Annexation	CU5	Per Docs Received From DMV
APP	Accept Prepayment into Primary	CU6	Per Request From Petitions
APV	Accept Prior History Version	CU7	Per Request From Special Procedures
ARB	Arbitrary Breakdown	CU8	Per Request From District Office
ARO	Aerospace Refunds	CVD	Converted Date
ARS	Aerospace Fund Transfers	DCA	Debit/Credit Audit
ASG	Accept Schedule G	DDD	Disallow Deduction
ASH	Accept Schedule B/C/E/F	DCE	Dishonored Check Error
AUA	TD Adjustment Per Audit	DFS	Security Payment To Return
AUB	DR/CR Audit 414L BD	DPP	Prepay Payment To Return
AUC	DR/CR Audit Funding & BD	DRA	Derive Return From Amount
AUD	Audit	DUA	Duplicate Add-Ons
AUF	DR/CR Audit Face Funding	DUP	Duplicate Returns
AUG	Adjust Schedule G Per Audit	DI5	Disallow Line 15 Adjustment
AUL	Reallocation of Local Tax Per 414L Sec 2	EFT	EFT Payment to Return
AUM	Miscoded 414L	EPP	Estimated Prepay Penalty
AU1	Audit 414L Sec 2	E15	Line 15 Adjustment for Earthquake State Add-on
AU2	Audit 414L/2Q	E20	EC 20 EADJ Entry Code 20 – Conversion
AU3	Audit 414L/3Q	F&E	Fixtures and Equipment
AU4	Audit 414L/4Q	FAX	Faxed Original
AU5	BT 537 Correction	FBO	Field Billing Order
A15	Line 15 Adjustment for Aircraft	FEO	Fixture and Equipment Only
A20	Line 20 Adjustment	FFR	Failure to File Tax Returns
BPP	Original Due to Bankruptcy (BX)	HAT	Conversion – Move History/Amended/Tax Area Change
BPR	Back Out Primary Revenue	INC	Incorporation
BRD	Board Decision	KDE	Correct KDE Error
BTC	BT 537 Correction	KDV	Correct Verification Error
CAT	Catering Flat Rate Penalty	LEM	Lemon Law Refund
CCA	Compliance Assessment Canceled	LRI	Back Out Last RSI Adjustment
CCB	Clear Comp Bad	LSS	Vehicle Lessor
CCD	Discovery Costs	LTX	Schedule B/C/E/F Error
CCI	City/County Inquiry	MAB	Merge SG Schedule A/B
CFS	Conflicting Signs	MAP	Merge Amended to Primary
CG	Correct Keyed Error on Schedule G	MCL	Miscoded BT 414L
CHL	Converted High Level Fund	MCS	Move Return/Change FO Status

FUND TRANSFER REASON CODES

MCT	Move Return to Correct FO Type
MDP	Merge Duplicate to Primary
MFE	Merge F&E to Primary
MSB	Merge Schedule B/C/E/F
MSG	Merge Schedule G
MVR	Move Schedules Not Attached to Return
MVS	Move Schedules Due to Predecessor/Successor
NAC	Area Code Correction
NRR	No Reply Received
NRS	Sub-Outlet Never Registered
NSO	400CS New Sub-Outlet
OCR	Offset Credit Return
OOB	Out of Balance Transaction
ORG	Original
OTA	Before Start or After Close Out Date
OTP	One Time Penalty
RAA	RAS/VER. Schedule A Adjustment
RAC	Reallocate from Address Change
RAD	Re-audit
RDT	Re-determination
RDV	Redevelopment
REA	Re-audit
RED	Reference and Edit List
REG	Original Registration Error
RFB	Return Filed Before CAS
RID	Revenue Increase on a Billed Difference
RLR	Taxpayer Reply for Schedule B/C/E/F
ROF	Right of Offset – Refunds
RRF	Reallocation of Refund
RRR	Repayment Plan Reallocation
RSC	Registration Change: Start/Closeout Date
RTC	Registration Change: Tax Area Code
RVG	Revenue Variance Group - Adjustment
RVK	Revoked - Reinstatement Fee
RWS	Schedule on Single Outlet Return
SCA	Schedule A Error
SCH	Load Schedule
SFE	Sales of Fixtures and Equipment Not Reported
SGA	Amended SG Return
SJR	Stipulated Adjustment – Refund of Interest
STJ	District Inquiry
STL	Accept Settlement
SWP	Swap Meet Flat Rate Penalty
SYS	System Error
S15	Line 15 Adjustment for State Add-ons
TCA	Transfer to Correct Account
TCF	Transfer to Correct FO
TCP	Transfer to Correct Period
TPS	Transfer Due to Predecessor/Successor
TVR	Transfer Schedules Not Attached to Return
TXS	Tax Short
UNM	Unreported Move of Sub-Outlet
URT	Unacceptable as a Return
USE	Correct User Error
USF	Use Fuel Flat Rate Penalty
UTX	R1802 Use Tax
VAD	Conversion Adjustment
523	523 Correction – Split Portion of Revenue

FTCODES
Rev. 05/01/03

Page 2 of 2

REPORTING PERIOD CODES

The following codes identify periods on sales and use tax, fuel user, and fuel vendor tax return.

MONTHLY / QUARTERLY / YEARLY / FISCAL YEARLY

Codes 01 through 12 are used for **all** reporting periods, i.e., monthly, quarterly, yearly, and fiscal yearly. All electronic allocation media contain fields showing beginning and ending dates for the allocation period. This information can be used to identify the reporting period that is represented by the individual return. The following list shows the period codes currently in use:

CODE	MONTH, QUARTER AND/OR YEAR	CODE	MONTH, QUARTER AND/OR YEAR
01	January	07	July
02	February	08	August
03	March/1 st Quarter	09	September/3 rd Quarter
04	April	10	October
05	May	11	November
06	June/2 nd Quarter/Fiscal Yearly	12	December/4 th Quarter/Yearly

SALES AND USE TAX PROGRAM CODES

TAXABLE ACTIVITY—SALES & USE TAX ACCOUNTS	TAT	TAT INDICATOR
Regular Sales and Use Tax	SR	
Regular Sales and Use Tax (gasoline retailer)	SR	
Regular Sales and Use Tax (multiple locations in one tax area code)	SR	X
Regular Sales and Use Tax (multiple locations in multiple jurisdictions) with Schedule C	SR	Y
Regular Sales and Use Tax with Schedule B	SR	S
Regular Sales and Use Tax with Schedule B and (multiple locations) Schedule C	SR	Z
Temporary (T)—(90 days or less)	SR	
Arbitrary Sales (Account prefix 052, 053, 092, or 096)	SR	
Individual Use Tax (from FTB return inserts) (Account prefix 062)	SU	
Certificate of Registration—Use Tax	SC	
Certificate of Registration—Lender	SL	
Sales and Use Tax Gasoline Distributor	SG	
Consumer Use Tax	SU	
Consumer Use Tax with special return	SU	S
Consumer Use—Vehicles and Mobile home (purchased from non-dealers)	SA	
Consumer Use—Vessels (purchased from non-dealers)	SB	
Consumer Use—Aircraft (purchased from non-dealers)	SP	
U.S. Customs Use Tax	SI	

BOARD OF EQUALIZATION BUSINESS CODES**RETAIL TRADE GROUP**

- 01 Women's Apparel
- 02 Men's Apparel
- 03 Family Apparel
- 04 Shoe Stores
- 05 Variety Stores
- 07 Department Stores
- 09 General Stores
- 10 News & Magazine Stands
- 11 Art, Gift & Novelty Stores
- 12 Sporting Goods & Bicycle Stores
- 13 Florist Shops
- 14 Camera Stores
- 15 Music Stores
- 16 Stationery & Book Stores
- 17 Jewelry Stores
- 18 Office, Store and School Furniture & Equip. Stores
- 19 Full-Time Specialty Stores not Elsewhere Classified
- 20 Grocery Stores without Alcoholic Beverages
- 21 Food Stores Other Than Grocery Stores
- 22 Package Liquor Stores
- 24 Eating & Drinking Places
- 25 Confectionery Stores
- 26 Cigar Stores & Stands
- 27 Drug Stores

NON-STORE RETAILERS

- 28 Non-Store Retailers (Full-time Only)
- 29 Part-time Permittees
- 30 Home Furnishing Stores

RETAIL TRADE GROUP

- 31 Appliance Stores
- 32 Second-hand Stores
- 33 Grocery Stores with Beer & Wine Licenses "20"
- 34 Grocery Stores with General Liquor Licenses "21"
- 35 Eating & Drinking Places with Beer & Wine Licenses "40" or "41"
- 36 Eating & Drinking Places with General On-sale Licenses
- 40 Farm & Construction Equipment Sales
- 41 Garden Stores
- 46 Fuel & Ice Stores
- 50 Building Material
- 51 Hardware
- 52 Plumbing & Electrical Supply Stores
- 53 Paint, Glass & Wallpaper Stores
- 55 Vehicles Use Tax
- 56 Vessels Use Tax
- 57 Aircraft Use Tax
- 58 Cigarette Vending Machine Operators
- 60 New Car Dealers
- 61 Automotive Supply Stores
- 62 Service Stations
- 63 Auto Trailer & Supply Stores
- 64 Used Car Dealers
- 66 Boat & Motorcycle and Supply Stores
- 67 Aircraft and Supply Stores
- 70 Hotels, Motels & Boarding

SERVICE GROUPS

- Houses without On-sale General Liquor Licenses
- 71 Automotive Repair
- 72 Repair & Hand-trade Shops
- 73 Portrait Studios
- 75 Hotels with General On-sale Licenses
- 76 Clubs & Places of Amusement General On-sale Licenses
- 77 Shoe Repair Shops
- 78 Undertaking Parlors & Cemeteries
- 79 Personal Service Shops, Amusement Places without General On-sale Licenses

CONSTRUCTION CONTRACTOR GRP

- 82 Constructions Contractors, and Manufacturers and Wholesalers of Building Materials

PRODUCERS, MANUFACTURERS AND WHOLESALERS GROUP

- 83 Store and Office Equipment

SERVICE GROUPS

- 84 Health Services
- 85 Public Utilities, Transportation and Allied Services

PRODUCERS, MANUFACTURERS, AND WHOLESALERS GROUP

- 86 Electronic & Electrical Equipment

SERVICE GROUPS

- 87 Government, Business & Social
- 88 Auctioneers
- 89 Business Service Concerns

- 90 Farm, Tobacco, Alcoholic Beverages, Food and Food Processing Equipment
- 91 Textile Products with Household Goods
- 92 Drugs, Chemicals and Allied Goods
- 93 Motion Pictures, Equipment and Supplies
- 94 Automotive Vehicles, Trailers, Parts, Equipment & Supplies Other Than Petroleum

- 95 Transportation Equipment Other Than Automotive
- 96 Petroleum. Petroleum Products, Oil Well, Refining, and Service Station Equipment
- 98 Heavy Industrial Equipment and Miscellaneous Machinery
- 99 Publishers, Light Industrial Equipment and **ALL OTHER PERMITTEES NOT ELSEWHERE CLASSIFIED**

BOE-549-L (FRONT) REV. 1 (12-02)

CLAIMED INCORRECT DISTRIBUTION OF LOCAL TAX — LONG FORMSTATE OF CALIFORNIA
BOARD OF EQUALIZATION

Note: The inquiry must contain sufficient factual data to support the probability that local tax has been erroneously allocated and distributed. Sufficient factual data must include, at a minimum, **all** of the following for each business location being questioned: 1) Taxpayer name, including owner name and fictitious business name or d.b.a. (doing business as) designation. 2) Taxpayer's permit number or a notation stating "no permit number." 3) Complete business address of the taxpayer. 4) Complete description of taxpayer's business activity(ies). 5) Specific reasons and evidence why the taxpayer's allocation is questioned. (In cases where it is submitted that the location of the sale is an unregistered location, evidence that the unregistered location is a selling location, as explained by Regulation 1699, or is a place of business, as defined by Regulation 1802, must be submitted. In cases that involve shipments from an out-of-state location and claims that the tax is sales tax and not use tax, evidence must be submitted that there was participation by an in-state office of the out-of-state retailer and that title to the goods passed in this state.) 6) Name, title, and phone number of the contact person. 7) The tax reporting periods involved.

NAME OF JURISDICTION	ALLOCATION PERIOD QUESTIONED
REASON FOR QUESTIONING THE ALLOCATION	

SECTION I — GENERAL BUSINESS INFORMATION

OWNER NAME	BUSINESS NAME	
BUSINESS ADDRESS (street, city, state, zip code)		
DATE BUSINESS STARTED	CURRENTLY OPERATING <input type="checkbox"/> Yes <input type="checkbox"/> No	CALIFORNIA SELLER'S PERMIT NUMBER
DESCRIPTION OF OPERATION OF BUSINESS		

Person to call for more information regarding the taxpayer's allocation of local tax

NAME	TITLE	
DAYTIME PHONE NUMBER	BEST TIME TO CALL	
MAILING ADDRESS (street, city, state, zip code)		

SECTION II — QUESTIONS ABOUT THE BUSINESSIs merchandise sold at this location? ☐ Yes ☐ NoAre sales of tangible personal property negotiated at this location? ☐ Yes ☐ No

If yes, what is sold? _____

If no, what activities occur at the above business? _____

Has this business changed locations? ☐ Yes ☐ No If yes, list previous address and dates of operation:

ADDRESS (street, city, state, zip code) _____

DATES OF OPERATION:

From: _____ To: _____

BOE-549-L (BACK) REV. 1 (12-02)

Does the business have other selling locations in California? ☐ Yes ☐ No

Please give the business address(es) below or attach a list.

Are sales made at temporary locations (fairs, swap meets, etc.)? ☐ Yes ☐ No

If yes, please describe.

Are sales made by employees of the business? ☐ Yes ☐ No Are sales made through independent agents? ☐ Yes ☐ NoIs merchandise delivered to customers from out-of-state inventory? ☐ Yes ☐ NoIs merchandise delivered to customers from California inventory? ☐ Yes ☐ No

Other

If merchandise is shipped directly to customers from an out-of-state inventory, do sales contracts contain a specific title clause allowing title to pass in California? ☐ Yes ☐ NoIs the merchandise shipped with an F.O.B. - destination or F.O.B. - shipping point provision? ☐ Yes ☐ NoAre sales negotiated at a location outside of California? ☐ Yes ☐ NoIs the merchandise delivered from an in-state warehouse or inventory? ☐ Yes ☐ No

WAREHOUSE ADDRESS (street, city, state, zip code)

Is the taxpayer a construction contractor affixing property to realty? ☐ Yes ☐ No

If yes, is the property classified as materials, fixtures, or machinery and equipment?

TAX PREPARER'S NAME

SUBMITTED BY (NAME)

DATE

Send acknowledgement and future correspondence to:

NAME

ADDRESS (street, city, state, zip code)

STATE OF CALIFORNIA
BOARD OF EQUALIZATION

BOARD OF EQUALIZATION

NAME OF JURISDICTION	ALLOCATION PERIOD IN QUESTION
REASON FOR QUESTIONING THE ALLOCATION	
<hr/>	
<hr/>	
<hr/>	
<hr/>	

OWNER NAME		BUSINESS NAME	
BUSINESS ADDRESS (street, city, state, zip code)			
DATE BUSINESS STARTED		CURRENTLY OPERATING <input type="checkbox"/> Yes <input type="checkbox"/> No	
DESCRIPTION OF OPERATION OF BUSINESS		CALIFORNIA SELLER'S PERMIT NUMBER	

NAME	TITLE	
DAYTIME PHONE NUMBER		BEST TIME TO CALL
MAILING ADDRESS (<i>street, city, state, zip code</i>)		

ADDRESS (street, city, state, zip code)

DATES OF OPERATION

From: To:

Glossary of Terms

<i>Advance</i>	<i>Estimated payment distributed to a tax jurisdiction at least twice per calendar quarter as required by statute.</i>
<i>Allocation</i>	<i>The identification of money as belonging to a specific jurisdiction or fund.</i>
<i>Countywide/Statewide Pools</i>	<i>A mechanism used to allocate local tax that cannot be identified with a specific place of sale or use in California. Local tax reported to the pools is distributed to the local jurisdictions each calendar quarter using a formula that relates to the direct allocation of local tax to each jurisdiction for the given period.</i>
<i>Date of Knowledge</i>	<i>Date on which notice of suspected improper distribution of local tax is received by the Board. Such notice must be supported by factual information in order to be considered for date of knowledge status.</i>
<i>Distribution</i>	<i>The disbursement of money to jurisdictions or funds based on allocation.</i>
<i>Improper Allocation</i>	<i>Term used to describe suspected incorrect allocation of funds prior to verification by Board staff.</i>
<i>Misallocation</i>	<i>Term reserved for Board use representing an incorrect allocation of funds as verified by Board staff.</i>
<i>Place of Sale (Local Tax) “Warehouse Rule”</i>	<i>An exception to Regulation 1802 includes out-of-state retailers who do not have a permanent place of business in this state, but who maintain a stock of tangible personal property in this state and therefore must acquire a seller’s permit for their warehouse location. If the retailer subsequently establishes a permanent place of business (sales location) in this state, the warehouse permit will be closed out, and all local tax will be allocated to the permanent sales location.</i>
<i>Place of Sale (Local Tax) Construction Contractors</i>	<i>An exception to Regulation 1806 became effective January 1, 1995, when the Board passed a resolution that, under certain conditions, allows local tax from construction contractors to be allocated to the local jurisdiction of the specific construction jobsite. The contract (or subcontract) must be for no less than \$5,000,000 for work performed at the jobsite. The election to report under a sub-permit must be made by the contractor furnishing and installing materials and/or fixtures. For complete information on this topic, see Special Notice dated January 1995, Exhibit A.</i>

Glossary of Terms (continued)

Place of Sale (District Tax)

District Use Tax is paid by a retailer who

- maintains, occupies, or uses any type of office, sales room, warehouse, or other place of business in the district, even if it is used temporarily, indirectly, or through an agent.
- has any kind of representative operating in the district for purposes of making sales or deliveries, or taking orders.
- derives rentals from a lease of tangible personal property in the district.
- sells or leases vehicles, undocumented vessels, or aircraft that will be registered in the district.

Quarterly Cleanup

Net amount of tax receipts due to be paid to jurisdictions after advance payments and deduction for administrative costs.

Seller's Permit

The document issued by the Board bearing the name of the business, the business address, and the assigned seller's permit number. The seller's permit must be conspicuously displayed at the location for which it is issued.

Seller's Permit Number

Also known as account number. Each retailer's permit number is a unique identifier used to report sales, transactions, and use tax. Each number is made up of a combination of up to four parts: (1) Taxable Activity Type (TAT), (2) TAT Indicator (used for consolidated and special seller accounts), (3) Office Code, and (4) nine-digit numeric portion. The following diagram shows each component of the seller's permit number.

TAT	TAT INDICATOR	OFFICE CODE	NUMERIC PORTION
SR	S	KH	028-123456

Taxable Measure

The base amount upon which the sales or use tax rate is applied to arrive at the amount of tax due: (taxable measure x tax rate = tax)

Tax Area Code (TAC)

12-digit code assigned to each registered in state business location that corresponds to the local jurisdiction (county, city, special tax district, and redevelopment agency) where the business is located. In the case of out-of-state sellers reporting use tax, the assigned TAC may represent the statewide or countywide pools.

Glossary of Terms (continued)

Transactions (Sales) Tax *Transactions (sales) Tax is paid by a retailer who has a business location in the district, and the sale occurs at that location.*

Use Tax Direct Payment Permit *In the case of a county, city, city and county, or redevelopment agency, a permit that allows the jurisdiction to issue an exemption certificate to retailers from which they make purchases subject to use tax, (e.g., out-of-state vendors). The jurisdiction may then self-assess and report the use tax on those purchases, thus allocating the local use tax directly to the jurisdiction rather than through the countywide pool.*

Board Website Resources for Local Jurisdictions

www.boe.ca.gov (See also *Local Tax* page under BOE Programs)

FORMS AND PUBLICATIONS

LAW GUIDE:

Sales and Use Tax Law

- Section 7056, Divulging of Information Forbidden
- Section 7056.5, Unauthorized Inspection of Information

Uniform Local Sales and Use Tax Law

- Section 7204, Transmittal of Taxes to Cities and Counties
- Section 7204.3, Charge for Administration by Board

Uniform Local Sales and Use Tax Regulations

- 1802, Place of Sale and Use for Purposes of Bradley Burns Uniform Local Sales and Use Taxes
- 1803, Application of Tax
- 1803.5, Long-term Leases of Motor Vehicles
- 1806, Construction Contractors
- 1807, Process for Reviewing Local Tax Inquiries

Transactions and Use Tax Law

- Section 7261, Required Provisions of the Transactions Tax
- Section 7262, Required Provisions of the Use Tax
- Section 7273, Charges for Administering the Taxes

Transactions and Use Tax Regulations

- Regulation 1828

FORMS

- BOE 530 (Schedule C), Detailed Allocation By Suboutlet of Uniform Local Sales and Use Tax
- BOE 530-B, Local Tax Allocation for Temporary Sales Locations
- BOE 531, (Schedule B), Detailed Allocation By County of 1% Local Sales and Use Tax
- BOE 531-F, (Schedule F), Detailed Allocation By City
- BOE 549-L, Claimed Incorrect Distribution of Local Tax (Long Form)
- BOE 549-S, Claimed Incorrect Distribution of Local Tax (Short Form)
- BOE 555-LJ, EFT Authorization Agreement for Local Jurisdictions

PUBLICATIONS

- Publication 23, Introduction to Local Tax
- Publication 28, Tax Information for City and County Officials
- Publication 44, Tax Tips for District Taxes
- Publication 71, Tax Rates in California
- Taxable Sales in California

OTHER USEFUL INFORMATION

- Local Tax Statement of Distributions
- Allocation Calendars (Current & Next)

For Further Assistance

LOCATION	CONTACT	DUTIES
Local Revenue Allocation Section Board of Equalization 450 N Street MIC:27 P.O. Box 942879 Sacramento, CA 94279-0027	Warrant Desk Telephone: 916-324-1386 Fax: 916-324-8117	<ul style="list-style-type: none"> • Missing Warrants • Late or Missing Bank Deposits • Section 7056 Resolutions • EFT Assistance
	Control Desk Telephone: 916-324-1371 Fax: 916-324-3001	<ul style="list-style-type: none"> • Creation of New Special Tax Districts • District Tax Information • Construction Contracts over \$5 Million • Annual Audit Confirmation of Local and District Tax Distributed • Use Tax Direct Payment Permits
	Advance Desk Telephone: 916-327-7133 Fax: 916-324-3001	<ul style="list-style-type: none"> • Advance Payment Information • Creation of New Cities (Incorporations)
	Media Desk Telephone: 916-324-1321 Fax: 916-324-3001	<ul style="list-style-type: none"> • Allocation/Registration Media
Budget Section Board of Equalization 450 N Street MIC:25 P.O. Box 942879 Sacramento, CA 94279-0025	Telephone: 916-324-9648 Fax: 916-322-3184	<ul style="list-style-type: none"> • Administrative Fees
Audit Determination and Refund Section Board of Equalization 450 N Street MIC:39 P.O. Box 942879 Sacramento, CA 94279-0039	Telephone: 916-324-3017 Fax: 916-322-8834	<ul style="list-style-type: none"> • Suspected Improper Allocation of Local and District Tax
Research & Statistics Section 450 N Street, MIC: 67 P.O. Box 942879 Sacramento, CA 94279-0067	Telephone: 916-445-0840 Fax: 916-445-7119	<ul style="list-style-type: none"> • Triple Flip Backfill Calculation • Taxable Sales • LAFCO Revenue Estimates
State Controller's Office P.O. Box 942850 Sacramento, CA 94250	Telephone: 916-323-0740	<ul style="list-style-type: none"> • Highway Users Fuel Tax (Gas Tax) • Local Public Safety Fund
	Telephone: 916-323-0704	<ul style="list-style-type: none"> • Local Revenue Fund Distributions
	Telephone: 916-323-8077	<ul style="list-style-type: none"> • Motor Vehicle License Fees

Taxpayers' Rights Advocate

The State Board of Equalization wants to make dealing with us as easy as possible. Consequently, we have appointed a Taxpayers' Rights Advocate to help you with concerns related to the Board's programs that cannot be resolved through normal channels. Please contact the Taxpayers' Rights Advocate for assistance:

Taxpayers' Rights Advocate
 State Board of Equalization
 450 N Street, MIC:70
 P.O. Box 942879
 Sacramento, CA 94279-0070
 Toll-free Telephone: 888-324-2798
 Telephone: 916-324-2798
 Fax: 916-323-3319

Information on the Internet — www.boe.ca.gov

In addition to copies of selected publications, our Internet site also includes order forms for forms and publications, Board meeting dates, and other information about the Board and the programs it administers.